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ONTARIO

ROYAL COMMISSION ON BOOK PUBLISHING

Hearings

Mr. Richard Rohmer, Q.C.	Chairman
Dr. Marsh Jeanneret	Commissioner
Mr. Dalton Camp	Commissioner

Mr. Robert Fleming	Executive Secretary

Hearings held at Conference Centre,
5th Floor,
Ottawa, Ontario,
June 14th, 1971.

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LIBRARY
MAY 5 1973
UNIVERSITY OF TORONTO

This transcript has not been edited, corrected or revised by the Commissioners but may subsequently be edited, corrected and revised

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1 S U B M I S S I O N S O F

Dr. Robert A. Blackburn, Chief Librarian, University of Toronto Library Mr. Clifford Currie, Executive Director Miss Betty Hardie, Second-Vice-President Miss Martha Shepard President	Canadian Library Association
Professor Brian Land, Director of the Graduate School of Library Science, University of Toronto Mr. Clifford Currie, Executive Director	Canadian Library Association Publishers
Mr. Michael Macklem	Oberon Press
Rev. Borden Purcell, Chairman of the Board Mr. Donald Meakin, Manager	Canterbury House Anglican Book Society
Dr. D.C. Baird	
Mr. David Brown, President	Compkey Limited
Mrs. Bettye Hyde, Course Coordinator, Early Childhood Education	Algonquin College Department of Family Studies
Dr. Robert A. Blackburn, Chief Librarian Mr. David G. Esplin, Associate Librarian, Book Selection and Acquisitions	University of Toronto Library

SUBMISSIONS (Continued)

Mr. John F. Marriott

Mr. J.H. McNeill,
Carleton Place, Ontario

Ottawa, Ontario,
June 14, 1971.

---The hearing commenced at 9.30 a.m.

THE CHAIRMAN: We have with us this morning in the openings of our sittings at Ottawa representatives of the Canadian Library Association, Miss Shepard, Miss Hardie, Dr. Blackburn and Mr. Currie. We welcome you. We have read your brief and we would be glad if you would touch on the high points and then we will discuss it with you if you like.

SUBMISSION OF CANADIAN LIBRARY ASSOCIATION

MISS SHEPARD: I am here as President of the Association. I don't feel that I should speak to the brief. They were prepared by Miss Hardie and Mr. Currie and I would prefer that they spoke to their own briefs.

THE CHAIRMAN: If you would, I don't know how you wish to deal with it but whoever wishes to speak if you would do so.

MISS HARDIE: You suggested you would like something about the highlights of the brief.

THE CHAIRMAN: Yes.

MISS HARDIE: I think I can summarize the brief very briefly. What this brief is, is a general statement about some aspects of Canadian publishing which are of concern to all of the sections of the Canadian Library Association. I

think everybody has seen a growing interest in Canadian books and we emphasize that we would welcome fast and accurate information on Canadian publications to help libraries serve the community and we would welcome more knowledge in the form of book reviews and so on, information.

We recognize the problems in undertaking indigenous publications throughout the country and we endorse the concept of access devoted to capital financing. We suggest, however, that Canadian libraries should not be restricted in access to non-Canadian material. These materials are equally essential if libraries are to meet the needs of the community and to serve the purpose of libraries and educational institutions.

We have not included in this brief statistical information and we recognize that there is a need for more, both in connection with the publishing industry and in connection with libraries. Some statistics have been collected by the university libraries and are being made available to this Commission. Our information about them is that we support them. Fortunately these libraries have embarked on the gathering of many of these statistics before the appointment of the Commission. The experience of the members of the Committee of our CLA Committee leads us to believe that further studies would support all of the statements we have made but we would welcome more studies on the whole matter of proper

statistical information relating to libraries and publications in Canada.

THE CHAIRMAN: Is there anyone else in your group who wishes to speak at this time?

DR. JEANNERET: On page 2 you recommend aid of the kind that has been provided by the Canada Council and suggest that the Province of Ontario Council of the Arts might give similar aid to appropriate projects. Will you agree that provincial assistance of this kind should be paralleled by similar provincial assistance in other provinces? The point is that perhaps you can make a firm recommendation on this more appropriately even than we can ourselves. You are a national body; we are merely a provincial body. What have you to say about this?

MISS HARDIE: Yes, I think our emphasis should be on provincial and the reason we are suggesting it to you is that you are an Ontario Commission.

DR. JEANNERET: Yes, but the Canada Council is a national body and it is a national issue that we are dealing with here. Authors are national.

MISS HARDIE: Possibly there might be items of more local concern that Ontario, for instance, might be more appropriate than even a national body.

DR. JEANNERET: I would like to ask you, on page 3 where you are commenting on this highly controversial topic to the effect that libraries should be free to acquire material they need from whatever sources can most efficiently and economically provide it, would you favour purchasing from, say, Toronto agents, through an agent or otherwise for that matter, if the book is known to be on the shelves there rather than import it from abroad? Do you think it is sensible to import it from abroad if it is known to be on the shelf in Toronto?

MISS HARDIE: I think that most libraries, there are two aspects to this. One is the availability which is most important and tied up with the service one would expect and the other is cost.

DR. JEANNERET: Assuming a reasonably competitive cost, could you defend ordering it from abroad if it was known to be on the shelf in Toronto?

MISS HARDIE: I think a reasonably competitive cost library would be glad to have access to materials that were available easily and readily. The question is, how to find out if they are.

DR. JEANNERET: But if it were known to be on the shelf in Toronto and it were available at a reasonably competitive cost, would you favour its being purchased from Toronto or

being imported under certain circumstances?

MISS HARDIE: I think we come back to the question of how easy it is to get the material. If it is easy to get it in Toronto I think local libraries would certainly buy it in Toronto but if it is available in Toronto I don't know whether that makes it that easily available to the rest of the country.

DR. JEANNERET: In this connection do you speak -- what is your relation to the Ontario Library Association?

MISS HARDIE: There is no formal connection between the two bodies.

DR. JEANNERET: We have had recommendations from them on the topic that we are talking about, as you know, and they are not entirely consistent with what you have just said. There is no need for them to be, I take it?

MISS HARDIE: There is no formal connection, as I say, no.

DR. JEANNERET: Would you care to comment briefly on the impact and significance of the new Quebec legislation and regulations?

MISS HARDIE: I am not sure that I am entirely familiar with it.

DR. JEANNERET: It is probably the most unfortunate regulation on this topic that has ever been issued.

MISS HARDIE: I have seen a quote in Quill and Quire and that is the only

specific information I have. From that I would say that I think this kind of legislation would lend to hampering the ability of libraries to obtain materials as they need them.

DR. JEANNERET: Would you care to comment on those regulations to us in a letter?

MISS HARDIE: We could, yes.

DR. JEANNERET: I think we would ask you to please. That will be a confidential statement if you so request.

MISS HARDIE: When would you need this?

DR. JEANNERET: At your convenience.

THE CHAIRMAN: In the next few days, at your convenience.

DR. JEANNERET: You refer on page 3 to the appendix to the Economic Council of Canada's Report on Intellectual and Industrial Property where it gives comparative figures for purchasing United Kingdom publications through an English source and through a Canadian agent. Do you remember that?

MISS HARDIE: Yes.

DR. JEANNERET: Do you believe those figures to be -- and I am not suggesting by this question that they are not -- do you believe them to be a substantially accurate comparative record of costs of books to librarians

in this country?

MISS HARDIE: Yes, I do.

DR. JEANNERET: It is a very important question because this has been requested, the suggestion has been made that those were list price comparisons, I believe?

MISS HARDIE: Well, without going into a detailed analysis of it, this struck me as being very logical and I have had a great deal of experience with buying books.

DR. JEANNERET: They are net prices. On page 3, your final paragraph you say:

" Failure to support Canadian agents for reasons of either cost or lack of efficiency does not mean failure to support Canadian publishing. Many Canadian agents, with lengthy agency lists have made little or no contribution to Canadian publishing."

And this is ever so true but do you feel you have any obligation to support a Canadian agent who is making a substantial contribution to Canadian book publishing?

MISS HARDIE: I suppose it would certainly be easier to because you might feel --

DR. JEANNERET: I really asked if you felt that there was any obligation to.

THE CHAIRMAN: Or there should be

any obligation?

DR. BLACKBURN: I wonder if I might comment on that? There is, so far as we can see, very little evidence of a direct relationship between the proceeds of agency work and the publishing of Canadian material and the more some of us have gone into it, the less obligation we feel to support any part of the agency system. We feel that supporting Canadian publishing through supporting an agency system is a very indirect and inefficient means of supporting Canadian publishing. We would prefer to see a more direct kind of aid to Canadian publishing.

DR. JEANNERET: It does follow, though, that some kind of aid may be necessary because if you have a marginal situation of a Canadian publisher who is making a substantial contribution to Canadian publishing and who does depend to some significant extent on his agency business, then if you deprive him of the agency business you pretty well guarantee his bankruptcy, or his inability to publish Canadian books.

DR. BLACKBURN: I would be happier to agree to that if I had more direct evidence that in fact there is a relationship between agency work and publishing. It seems that there may be.

DR. JEANNERET: They both involve money?

DR. BLACKBURN: Yes.

DR. JEANNERET: I have no further questions. I am not trying to make a point, I am really trying to find out your views on those issues because there are two sides to the question, there is no doubt about that.

MR. CAMP: Miss Hardie, when you said in your introductory remarks that you are anxious that Canadian libraries not be denied access to non-Canadian materials, is this within the --

MISS HARDIE: I did not say, not be denied.

MR. CAMP: You say you were anxious that they not be denied.

MISS HARDIE: No, that they not be restricted.

MR. CAMP: I took it down, I am wrong.

MISS HARDIE: I am sorry.

MR. CAMP: It must have been a mental lapse. Where do you get your funds and how?

MISS HARDIE: Are you addressing this to me?

MISS SHEPARD: You mean the Canadian Library Association funds?

MR. CAMP: Yes.

MISS SHEPARD: Our members have an annual fee. We have personal members and institutional members. We get grants from some of the provinces, we have a publishing program which

is self-supporting. Mr. Currie, is that a correct statement?

MR. CURRIE: That is accurate, Mr. Chairman.

MR. CAMP: Is there any federal contribution involved or not? Some provincial government grants are?

MR. CURRIE: Some provincial government grants vary to the extent which provinces believe they receive benefits from the Canadian Library Association. Not every province contributes, Mr. Chairman.

MR. CAMP: Some do and some don't, according to -- how many provinces?

MR. CURRIE: We have contributions from eight provinces and from one territory.

THE CHAIRMAN: Which territory?

MR. CURRIE: The Yukon.

MR. CAMP: That suddenly struck a responsive cord! For my own information, is there an equivalent association with regard to French-language libraries?

MISS SHEPARD: Association Canadienne des Bibliotheques de Langue francaise.

MR. CAMP: I have no further questions, Mr. Chairman. In the terms of the use of public funds and the question of buying around, which seems to have been central to any discussion we have had with representatives of the libraries and any association discussion we have had with Canadian publishing representatives, it has been hard for me to discover whether or not the problem is caused by cost, defective supply or deficiency in supply or whether it simply was the nature of

the least that you could not provide a satisfactory service through Canadian sources. I wondered if you would say it was something of everything or more of one than another. In other words, even if you overcame the problem cost and inefficiency, that is, the delivery.

MISS HARDIE: I think it is undoubtedly a little bit of everything. A year ago there was a meeting at the Inn-on-the-Park which was organized by the Ontario Library Association ---

THE CHAIRMAN: Is there an Inn-on-the-Park in Ottawa?

MISS HARDIE: I am sorry, in Toronto. This was the Ontario Library Association meeting that was organized with publishers and librarians. It was very widely attended by representatives of both groups who discussed all of these mutual problems. My recollection of that was that the great thing that came out of that was that what we need is service. This was said over and over, that there was a recognition that some costs were inescapable in relation to buying elsewhere, but service was most important.

Now, poor service and high costs are an impossible combination. There is the other aspect that you referred to as to whether it was possible to provide everything that is needed locally or within this country and I think that is a very good question. I think some of the

university library statistics will have a good many answers to that. Even public libraries as large as the one which I represent have problems in acquiring materials directly in Canada.

MR. CAMP: Thank you.

THE CHAIRMAN: Dr. Blackburn, I think that in regard to the agency matter as you raised it in relation to the matter of support, I think that your reference probably had to do with a statement made in the Report on Intellectual and Industrial Property having to do with the cross-relationship between agency revenues, if you will, and the statement is this. On page 154:

> "If there were some clear association between the amount of agency business available to individual publishers on the one hand and their support of Canadian authors and production of Canadian textbooks on the other, the cost subsidization argument might carry some weight, but no very definite pattern of this sort is apparent."

Is this the point you are referring to? Do you agree with that statement?

DR. BLACKBURN: Yes.

THE CHAIRMAN: I suppose your agreement extends not only to textbooks but as well to trade books, fiction and things of this kind?

DR. BLACKBURN: Yes, sir. The public libraries and the universities such as the one I represent, really do not think of themselves as dealing in textbooks. The definition is very unclear. We deal more in general literature, which I suppose you would call trade books.

THE CHAIRMAN: I take it that your Association does not feel that it should be, generally speaking, constrained in terms of gaining access to books, either directly from the publisher or through agents. You should have your own choice no matter where the publisher exists, you should have an open approach, is that fair? Whether or not this constitutes buying around or otherwise, you feel you should be able to do this?

MISS HARDIE: That is right.

THE CHAIRMAN: And in connection with service, as you have raised it, at the Inn-on-the-Park, has your organization at any time, through its executive or otherwise, ever met, informally or formally, with a corresponding group of the Canadian Book Publishers' Council, to discuss the question of service?

MISS HARDIE: There is a committee of the Canadian Library Association, a committee of the Canadian Book Publishers' Council, and this is called the liaison committee in Canadian library publishers. It has been a very informal committee over the years and I have been involved

with it myself in the last few years, and there have been attempts to come to grips with things in more detail, but it has not truly been a very active -- it has not engaged in research. Questions that have been raised in that area, in committee meetings, have led to problems in how to deal with this, the concerns of the publishers, the concerns of the librarians not being exactly the same. This has just not been done. I think it should be done.

THE CHAIRMAN: It hasn't been done but you think it should be done?

MISS HARDIE: I think there should be research into this. The other matter about the Canadian Book Publishers' Council, as well, is the fact that it has had a relatively limited membership and did not, in fact, represent all publishers in Canada and does not now. We have, in effect, two independent groups at the present time.

MR. CAMP: How many libraries are represented by the Association?

MISS HARDIE: Perhaps Mr. Currie can answer that.

MR. CURRIE: Some 2700.

THE CHAIRMAN: How many of those are in Ontario, have you any idea?

MR. CURRIE: I think about 1000. I say that with caution, because I am not sure.

MR. CAMP: I wondered if you had an approximate figure as to the total value of books

and materials published -- purchased by your membership annually? What we call a ball park figure.

MR. CURRIE: I have seen the figure of 14 million quoted, but I say that with reserve because I have no means of checking.

MR. CAMP: This is also including administrative costs and so on and overhead?

MR. CURRIE: I have taken it that the 14 million quoted is a gross figure of expenditure. I believe this applies to universities only. I have not seen additional public library figures.

MR.CAMP: You don't have a figure -- you wouldn't have an estimate as to your membership, that is, your 2700 members?

MR. CURRIE: I am afraid I can't. There isn't a D.B.S. figure for it and I regret I can only be reasonably accurate as to university expenditures.

MR. CAMP: We have difficulty determining the size of the problem we are trying to assess.

THE CHAIRMAN: Which is the problem:

MR. CAMP: How much of this is spent abroad and so on, depending which side of the argument you are on, people put a very low figure on it.

MR. CURRIE: I wonder, sir, if I may suggest that we write to the Royal Commission

with some information which I believe we can get from the executive of one of our constituent sections, the Canadian Association of University and College Libraries. We could be reasonably accurate, I think, as to university buying and perhaps with the assistance of our public library committee, we may be able to give you a tolerably dependable composite figure toward the end of the month. I am sorry it may be so late, but our annual conference intervenes and that produces complexities.

THE CHAIRMAN: As Dr. Jeanneret says, we have that, or are getting it from that group, in any event. What I would be interested in having, subject to my colleagues, is a list of your membership.

MR. CURRIE: Yes. sir.

THE CHAIRMAN: Could we have that, please?

MR. CURRIE: We would be delighted.

THE CHAIRMAN: It may be useful in terms of certain research that we can see beginning to emerge.

MR. CURRIE: Yes.

THE CHAIRMAN: One point I wanted to ask you about in just general terms: Do you consider that most of your members have copying machines installed in their premises and are they used extensively?

MISS HARDIE: A lot of members do.

How many, I have no idea. Those that do are probably well used, yes.

THE CHAIRMAN: There have been no examinations of that question by your Association, I take it?

MISS HARDIE: Not by the Association. The only examination I know of is the one that has been made by the university libraries and, as I mentioned, they had fortunately embarked on this earlier. It again is a difficult thing to examine. I really can only speak from what I know personally.

THE CHAIRMAN: Tell us what you know personally.

MISS HARDIE: What I know personally is that in our own library system where we do have them, the Etobicoke Library System, they are all coin-operated machines, so that this mean it is even less easy to meter them than if they were operated by the staff for the public. They are operated by the public. We do know that they are used for a great many things that have nothing to do with the copying of book material. People come in and copy things like birth certificates and personal letters. This is a fact.

MR. CAMP: A source of revenue.

MISS HARDIE: We don't get the revenue.

THE CHAIRMAN: Who does get the revenue, to your knowledge?

MISS HARDIE: We instal these and,

simply from our point of view -- as I say, this is our own library. These things vary from library to library. In our case they are installed and we simply provide them as a service to the public. We believe, and we have some slight evidence to support that, it cuts down on possible vandalism of books. A page from an encyclopaedia can be copied and this is much more desirable than having it removed. As I say, we do have some slight evidence that supports this point of view, but in our case, we charge 10 cents and we get no revenue from it at all.

MR. CAMP: The machine is on a rental basis, I assume?

MISS HARDIE: It is not even rented. We supply the space and they do all the service. This may seem like a small thing, but our experience with other machines, the loss of the staff, cost of service and paying for everything going out of order and this kind of thing, was a problem. At the moment we are using this other method.

THE CHAIRMAN: Do you know the name of your firm that your system uses?

MISS HARDIE: I think the machines that we are using now are all Olivetti machines.

THE CHAIRMAN: Do you know the name of the firm selling and servicing them?

MISS HARDIE: It is a franchise operation and I would have to check. I cannot

tell you. I would be glad to let you know. We have gone through a number of changes in this.

MR. CAMP: We have been led to believe that there are examples whereby the library also takes some return from the use of these machines?

MISS HARDIE: Yes, there are. We don't happen to have that particular system in our own library. That is all.

THE CHAIRMAN: On the question of -- we are also looking at this from time to time -- the public lending right. Has your association looked at the ramifications of any system which might involve a public lending right on the question of keeping track of the use of books and things of this kind? Have you looked at this question at all?

MISS HARDIE: As far as the Association is concerned, no, I would say it has not been investigated by the Assocation.

DR. BLACKBURN: I have a statement, Mr. Chairman, on this subject, which is attached to the brief that we will be presenting this afternoon. I could comment on it now or later, if you wish.

THE CHAIRMAN: I have not seen that brief yet but I am sure it is here. By this afternoon I can assure you I will have read it but there is a note on my file which says it is not yet received. We will ask you then about it this afternoon, if we may.

DR. JEANNERET: One quick question. On this matter of assured access to all editions wherever they may be in the world one can't help but be very sympathetic with the principle that libraries should, indeed, have access to material wherever it is available, assuming that it is not merely piratical material but there is a question that arises. It is not entirely hypothetical and I would be glad to have your views on it. I refer to the possible sophistication of the Canadian book industry to the level of the United States book industry whereby it can enter the field of issuing low-cost editions for distribution abroad in developing countries. Would you take the position that the return of those into this country should be permissible?

MISS HARDIE: Now, that is not a question I have heard before.

DR. JEANNERET: No, but it is a practical one.

MISS HARDIE: I am speaking personally at this point, no, I don't think I would care to see that happen.

DR. JEANNERET: Well, I can assure

you that if it did happen they would not be produced and that is an issue of policy. I don't think we can pursue it beyond that. I mean you can see the immorality of it coming back?

MISS HARDIE: Yes.

DR. JEANNERET: And yet if 27 and 28 were rescinded in accordance with the recommendations contained in the report of the Economic Council on Intellectual and Industrial Property, that is precisely the situation that they would create and I don't think they thought about it.

MISS HARDIE: I don't think anything like that is embodied in preparing this brief.

DR.JEANNERET: No, but it would be an open door.

THE CHAIRMAN: I just want to make a correction, I have read that memorandum but I did not make the association of it that ought to have and so we can examine the question of public lending right this afternoon. I have read it.

Thank you very much, we appreciate your remarks to us.

SUBMISSION OF CANADIAN LIBRARY ASSOCIATION

PUBLISHERS

THE CHAIRMAN: Can we carry on? It is just an extension, the second part.

With regard to the second brief, to what extent does the Canadian Library Association, in fact, publish, what are the titles that you go into? You have made certain references in the second brief to the publication activities but there is not any sort of approaches to the extent of this publishing in this brief. Is this going to help us?

MR. CURRIE: I am sending up, sir, a copy of our extant list.

THE CHAIRMAN: I see.

MR. CURRIE: If I may say so, sir, this is a product of our miscellaneous section. We have in addition two periodicals and one sales publication called the Canadian Periodical Index and further we have a micro texts branch which we regard as part of our publishing organization. We have confined our position paper, though, to book publishing and the catalogue you have represents substantially our book output.

THE CHAIRMAN: I take it, then, that the operation of your Association apart from its regular Association activities, where does the budget come from in relation to these publications in support of those?

MR. CURRIE: As far as possible, sir, we try to recover from our sales but we do produce material which we know will be sold at a loss. So far as we can, we attempt to cover in the product section, as it were -- and I say that advisedly -- our annual revenue we try to cover our expenditures in a given year but we have never yet in any given year made a profit and last year's loss was of the order of -- I wonder if I might go to my accounts -- last year's loss was $4,518.29 and that is our lowest loss so far. The year before our loss was $19,000 and about $27,000 the year before that.

DR. JEANNERET: Including the Journal?

MR. CURRIE: No, not including the Journal. The Journal makes a loss but that is, in fact, borne from our membership fees.

MR. CAMP: Did you publish less last year?

MR. CURRIE: Sir, we had to make some retrenchment last year. We found that we were losing so much money -- and I think my text will support this -- that we couldn't run into other editions of necessary works.

THE CHAIRMAN: In the last page of this particular brief you mention the Canada Council. I take it from that last paragraph that what you are suggesting is that there could be another method or a better method of making money available for the

type of publication in which you are interested, is this what you are saying?

MR. CURRIE: I would prefer not to be specific because I would not like it to be thought that institutions generally -- and we are attempting to suggest the position of institutions generally -- we don't know what institutions generally would like to see done. Our own Association would like to see two possible means of financing, one, the availability of low interest capital so that we can embark on publishing for which we have not capital ourselves and in the area of publications which we know can never make a profit but which we believe useful to the community we would like to think that there is some means of direct subsidy. That is our own position.

MR. CAMP: Do I understand, though, that in your publishing program you do have an advance more or less guaranteed sale for these works, do you, that is by your membership for example?

MR. CURRIE: That is not accurate, to include all the avenues. For example, the total I have quoted, I think, on the second page of our brief, public library standards, would not sell in university libraries. This would be strictly for public libraries and rather for the trustees of the libraries who are frequently work people and for the public libraries

themselves. Now, equally technical university libraries would not sell in public libraries.

DR. JEANNERET: I think the first requirement, Mr. Camp, if I read the brief correctly -- and excuse the expression -- is for working capital which we have heard about very frequently. That is really what you are asking for?

MR. CURRIE: That is what we really need.

MR. CAMP: Do you suggest that it be provided by some agency, either the Canada Council or some other group?

MR. CURRIE: Yes, for this purpose I think we have only suggested national agencies because most of the Associations whose views I believe we know are national Associations, sir.

DR. JEANNERET: The point I don't follow there, Mr. Currie, is that you are very delicate in referring to the Canada Council. Do you not have access to the assistance because you are a national Association at the present time or do you wish to have access to more assistance? I am not quite clear.

MR. CURRIE: We have had some degree of assistance from the Canada Council with particular publications. We had $4,500 in assistance for a book on audio-visual methods and organization. It is called Non-Book Materials and

the grant was directly to the author and we were advised at the time of this grant that a publishing subsidy could be made only to authors and not to organizations. We took that as being a generally persuasive statement.

DR. JEANNERET: Sometimes these grants to authors can be made to defer the costs of publication, of course, with an interesting result?

MR. CURRIE: Yes. This was not the case in this instance, sir. The grant was for travel and for a certain amount of office aid. It came, in fact, nowhere near the expenditure that the principal and two subordinate authors made. The production costs of the preliminary, that is an edition circulated for comment, were around $20,000.

THE CHAIRMAN: This is the publication which you indicated loses $1.50 on each copy that is sold in the United States?

MR. CURRIE: That is it, sir.

THE CHAIRMAN: On that basis why do you sell it in the United States?

MR. CURRIE: It sold in the United States -- perhaps I could be more specific.

THE CHAIRMAN: Yes, if you would.

MR. CURRIE: The Association suffered a net loss of $1.50. I meant that we had a marketing loss specifically. Our marketing

price in Canada is $3.50. When we sell in the United States we sell in bulk to the American Library Association at $2 per copy.

THE CHAIRMAN: What position does that put you in, in fact, in relation to each copy?

MR. CURRIE: We have not yet a revenue statement because our newly negotiated agreement with the American Library Association has only so far resulted in our agreeing to mail dispatch of orders. This is an agreement which relates to the second impression of the preliminary edition and we don't get to know our own position. The American Library Association, however, has stated that it is not going to make a cent in profit and that this will only cover its overheads and distribution. This arrangement was reached because of customs difficulties with the United States and the undertaking of the American Library Association that it would look after customs.

THE CHAIRMAN: What is the customs difficulty, please?

MR. CURRIE: The customs difficulty is total rejection at point of entry after 3,000 copies.

THE CHAIRMAN: I didn't quite hear all you said?

MR. CURRIE: After 3,000 copies, after a total of 3,000 copies had been sent to the United States further copies were returned to us

as distributors. Now, I don't know the problem there but the United States importing authorities appear to be adamant that 3,000 copies only of this particular class of work may be imported. That is through ordinary direct distribution machinery. If we use an American agent as distributor, then this problem is avoided and we have just passed 5,000 copies to the American Library Association.

DR. JEANNERET: Did you include a universal copyright notice in it?

MR. CURRIE: I can't say, sir. I know that we have copyright in Canada and in the United States.

DR. JEANNERET: If you have it in the United States were there American contributors and authors?

MR. CURRIE: No. The authorship was in the first place entirely Canadian but we think that this problem may be avoided for the first definitive edition, if I may use the expression, because there is now an American-Canadian Supervisory Committee and to that extent I think authorship may be partly conceded as American.

DR. JEANNERET: If it is attributed to him, you are going to be in real difficulty if you claim universal copyright. If you claim American copyright, you must be claiming universal copyright and the only competition I would see is if authorship were American, and that does not seem to be the situation, so it is not worth pursuing here. This limitation of 3000 is something I have never encountered -- 1500, if it is an American author and you take ad interim, but that is not the situation either.

THE CHAIRMAN: How can we find out more about this particular situation?

MR. CURRIE: It would be wrong of me to do more than say that I will send you any documentation I could get from the American Library Association, sir.

THE CHAIRMAN: We would like very much to know because we find that there are restrictions by the United States on imports from Canada. I personally can see -- not speaking for my colleagues -- it is a one-way market and that is the Americans use Canada as their market but we are having, obviously, great difficulty in penetrating their situation. Any information you can give us at this time -- this is something I would like within a very few days -- as to the status of the situation as you understand it, that would enable us to undertake some fundamental research to see what is going on in this area, so

that this could be of some degree of importance to us.

DR. JEANNERET: The obstacles they throw up are usually non-tariff barriers too. They are very difficult to get hold of.

MR. CAMP: You are made aware of the customs difficulties by the American Library Association?

MR. CURRIE: It was direct return of material and in some cases not direct return of material but complaint by the buyer, a complaint by the intended buyer that the material had not been received and we knew perfectly well it had been dispatched. Simply by extrapolation we were certain it had been through customs and either delayed there grossly, or simply not passed through.

MR. CAMP: They were held up at the border.

MR. CURRIE: Yes. There is evidence only in terms of the locations to which we sent this material. The action is arbitrary and probably confined to certain customs persons.

MR. CAMP: Have there been examples of where you have shipped books to the United States, they have gone into customs and remained there and you have not been notified?

MR. CURRIE: We take that to be so, sir. That is the evidence we have in terms of dispatch and our knowledge that some materials have got waylaid.

MR. CAMP: Would they be shipped to Montreal?

MR. CURRIE: I think it likely they were shipped through Montreal because at the time of the postal strike we learned that all but first-class material was regularly sent from Montreal, wherever it was going in Canada or the United States.

DR. JEANNERET: Have you arranged to distribute strictly through A.L.A. in the States? What would your attitude be if somebody ordered it directly from you? Would you insist on using an exclusive accredited agent?

MR. CURRIE: At this point, as far as I know, it has not been discussed. I ought to say the technical details of this transaction were dealt with by a member of our publishing staff who is not here today. I think the arrangement with the American Library Association is very friendly and flexible and I would be surprised if a member of our staff concerned had not made at least a gentleman's agreement that it would be in order for us to send single copies, dispatched directly from here. I think this would not affect their trading position.

DR. JEANNERET: Would an order from Baker and Taylor be honoured by you?

MR. CURRIE: I would like to reserve that one, sir, but if I may give my own ---

DR. JEANNERET: An order from

any other jobber?

MR. CURRIE: We might ---

THE CHAIRMAN: I wonder if Dr. Jeanneret might expand, for the record, the purport of the question he just put to you.

DR. JEANNERET: It is obvious this is a reverse situation of the one you are complaining about, about having access to import directly. In this case it would be parties to an arrangement that would tend to restrict the right of import.

MR. CURRIE: I think what we would do, sir, with respect, is to deal as honourably as we could with the American Library Association with whom we have entered into what we believe is a gentlemanly contract. I think that if we were asked for a single copy, in order to save time, we would simply supply the single copy by first-class mail. If, on the other hand, we had an order from a jobber, we should refer the jobber to the American Library Association.

DR. JEANNERET: This is a protest, of course, and it is enforced by the British and American principals who deplore buying around into Canada. They say they wish to deal as honourably as they can with a duly accredited agency who has the responsibility for carrying their stock in Canada and for promoting its sale and stimulating the orders that are received and the only people who secure reviews, presumably, are

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their agents. The parallel is not perfect, because I am sure your discount structure is not such as to make this a very interesting buying-around project.

I would like to make comment, if I may, on your comments on publishing and difficulty of securing support just for what they may be worth. I have encountered, in scholarly publishing, a degree of resistance that builds up when you move from research publishing for which you are seeking collateral support and into the area of service publishing. I think that this is a very blurry dividing line, myself, but, for instance, when I have been publishing a decennial index, or something of this nature, I have found it either difficult or impossible to secure assistance from, say, the Social Science Research Council on the grounds that we are seeking to subsidize a pool of scholarship and not basically research itself, not the addition to the store of knowledge. As far as I am concerned, it is very difficult to draw the line and sometimes when you are publishing a tool for the researcher, you are really assisting him in a very major research project and who is to say the bibliography is not a research activity in itself? It is more than that, I admit. It is also a matter of developing tools for research by others. I mention this simply because there is a quandary at a certain point there on policy. Do you recognize the same problem?

I have no answer.

MR. CURRIE: It has not emerged practically with us, but we can certainly see the problem and distinguish between the two kinds of publishing and we can envisage that if we ask for grants for publishing simply on analogies and other areas which touch the bibliography, we will believe the bibliography, or assistance to bibliography might be refused.

THE CHAIRMAN: Now I think we have no further questions. We appreciate very much your coming. Both your briefs have been very, very helpful to us and the information that we hope to get from you, I think may also be extremely interesting to us. Thank you.

SUBMISSION OF THE OBERON PRESS

THE CHAIRMAN: We are running a little bit early. We have with us now, Mr. Michael Macklem of Oberon Press.

Mr. Macklem, we have read your brief. If you could touch the points you want to make, we could discuss it with you, please?

MR. MACKLEM: Mr. Commissioner, it has been several weeks since I submitted this

and a great many things have taken place. I would like to make a new brief presentation, if I can, and you can ask questions on that, if that is acceptable?

THE CHAIRMAN: Go ahead.

MR. MACKLEM: I don't intend to rehearsethe ground which must now be all too familiar to all of you. I assume that you know as much as I do about the publishing industry in Canada, if not a great deal more.

I assume you understand very well the basic problems we have to contend with. The central problem, in a word, is the fact that our potential market is small and widely scattered. The real nature of this problem was brought home to me when I was reading Leonard Woolf's memoirs. He remarked in passing that in the early days of the Hogarth Press he had half of his total market within five miles of his London office. By contrast, we travel at least 10,000 miles a year from Victoria to St.John's and spend long periods on the road away from Ottawa each year.

What this means, as everyone knows, is that the typical Canadian publisher has comparatively short print runs and comparatively high unit costs. There is nothing special or unique about this. The publishing industry in any small country has the same kind of problem. The difficulty in our case is that Canadians share the English language with Englishmen and Americans.

Canadian publishers have to survive in direct, daily competition with British and American publishers, who have far larger markets in which to sell their books and therefore far lower unit costs.

The typical American publisher can sell a successful American paperback in Canada for 95 cents and he can spend perhaps $25,000, perhaps, on promotion. The typical Canadian publisher has to sell his Canadian paperbacks for something like $2.95 and if he has $250 to spend on promotion, he is lucky.

It is pretty obvious that in a situation like this Canadian books are going to get the short end of the stick and they usually do.

Most of the witnesses who have appeared before you have argued that the only way of giving the Canadian publisher a chance is to subsidize the publication of Canadian books. I think there is no doubt that this is absolutely true. If Canadian publishing is to survive, the Canadian publisher must be in a position to reduce his unit costs, and if he is to do this, I can see no alternative to public assistance.

Indeed, I don't see that this is an issue any longer. In its interim report, the Commission committed itself to the principles of public subsidy by recommending a grant to one Canadian publisher of almost one million dollars.

THE CHAIRMAN: With great respect,

we did not recommend a grant. We recommended a loan with low interest. There is a vast difference between a grant and a loan, they tell us.

MR. MACKLEM: I stand corrected. The crisis, however, of McClelland and Stewart is not at all extraordinary or unusual. Several other Canadian houses are in similar circumstances. If our own situation is somewhat less desperate that is only because we are more carefully managed, or so I would like to think. I am perfectly confident that the Commission will not be satisfied with the policy that in any sense could be construed as giving one Canadian firm an advantage over other Canadian firms. I have no doubt that the Commission is quite aware that the people of this province are concerned for the survival and health, not of just one company, but of the industry as a whole.

If we assume, as I do, that the Commission recognizes and has committed itself to the need for public assistance on an industry-wide scale, we can turn to the question of ways and means.

I have already dealt with this question in my written brief and I don't intend to go over the same ground in any detail.

I do believe we need a program that combines direct public assistance -- that is, cash grants or loans -- with increased buying of Canadian books.

I personally am extremely grateful

to the Ontario Arts Council for their help and I think they are to be commended for recognizing, as they appear to do, that their responsibilities don't end with the writer and artist but extend to the publsiher as well. What is good for the publisher is good for the writer and artist. We hope that the work now being done by the Arts Council will be only the beginning, the beginning of a long and fruitful relationship between publishers and the government of Ontario.

Money itself is not enough. I would rather sell 2000 copies of a book at a loss of $200 than 1000 copies at a profit (after subsidy) of $100. Our business is to get as many readers as possible for our books, and we need help in this area just as we need it in the area of financing.

The easiest way to reach an audience for books in this country is through the library system. The public libraries in all provinces are important buyers of Canadian books. Any efficient publisher should be able to visit most of the libraries in Canada at least once a year. Too many Canadian publishers think they can sit in their offices in Toronto and wait for the buyers to come to them. It does not work that way. Our experience is that public libraries all over the country are ready and willing to buy Canadian books. Many of them, however, suffer from a chronic shortage of funds and this shortage will become more severe

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if librarians are prevented from buying foreign books abroad where they are cheapest and forced instead to buy them in Canada at marked-up prices. Please remember that if you require librarians in the province of Ontario to buy their British and American books from the Canadian branches of the British and American publishers, you will be hurting Oberon, Anansi, and New Press -- the very publishers who most need and deserve help.

If the Commissioners wish to curtail buying around they should, I think, recommend that additional funds be made available to public libraries, earmarked for the purchase of Canadian books. Such a proposal would be desirable in any case.

School libraries present a formidable problem. There are about 3,000 primary and secondary schools in Ontario. It is quite impossible for the typical Canadian publisher -- lacking as he does the advantages of scale possessed by the larger British and American houses -- to visit all or even many of these. This means that most school teachers and librarians know very little about Canadian books. Most school children read and learn from American books. This is a large problem and it won't be solved overnight. I think a useful start could be made by requiring schools in Ontario to spend a fixed -- and perhaps increasing -- proportion of their funds on Canadian books.

This whole inquiry has to do with the survival of the Canadian book as a vital factor in Canadian life. We all assume to know what a Canadian book is. Maybe this is an assumption we ought to look into. My definition of a Canadian book goes something like this: A Canadian book is a book written by a Canadian and published in Canada by a Canadian publisher. But if I were a printer my definition might go more like this: A Canadian book is a book written

by a Canadian and printed in Canada by a Canadian printer. Or, since I am not a man to mince words, it might go like this: A Canadian book is a book printed in Canada by a Canadian printer.

THE CHAIRMAN: If you were a member of the public, what would your definition be?

MR. MACKLEM: It would depend on what part of the public I belonged to. I think there is a real danger that the concern now felt by the public for Canadian publishing may be captured by local printers. If this happens, we may wake up and find that all our efforts have done little for Canadian publishers and still less for Canadian writers and artists. For make no mistake: there is a big difference between increased sales of Canadian fiction, poetry, history, biography and children's books and increased sales of Canadian print.

I have nothing against Canadian printers and I understand their desire to increase their sales and profits. But my first concern is for the Canadian writers and artists whose interests I serve. I have already spoken of the problem of costs in the Canadian publishing industry. My opinion is that no Canadian publisher is doing his job if he does not explore all possible ways of improving his product and reducing his costs at the same time.

There are many good printers in

Canada, though few Canadian printers are really equipped to handle book production and there are many jobs that simply cannot be done efficiently in Canada. Examples that come to mind are the Karsh portfolio, published several years ago by the University of Toronto Press and printed in the Netherlands and Alan Suddon's Cinderella, published in 1969 by my own firm and printed in England.

The problem is not entirely a problem of quality. There is also a problem of costs. Canadian print is typically expensive. Colour work done in the Far East, for example, costs about 65 per cent less than in Canada, even allowing for duty and freight. Typesetting costs about 35 per cent less. Prices in England, in Ireland and on the Continent are also favourable, depending on the kind of work to be done and the size of the print run. This means that if a given piece of colour work, say, is quoted at $10,000 in Canada, the same work can be done offshore, usually to a higher standard, for as little as $3,500.

Let me make it clear that this is not just a matter of profit and loss. You will probably make a loss anyway. The question is how much? Next year we are planning to publish a book on Thomas Davies, the first painter of the Canadian landscape. The book will contain reproductions of all of Davies' Canadian paintings.

If we can have this book printed abroad without prejudice, we will go ahead with the project. If we are required to print it in Canada we will scrap it.

In my opinion it is most important that programs intended to encourage the publication and sale of Canadian books should not be limited in their application to books manufactured in Canada. If they are so limited they will defeat their own purpose. They will reduce the number of Canadian titles published each year and make the work of Canadian publishers more and not less difficult.

If we have been more successful in making ends meet than most Canadian publishers it has been for two reasons: Because we have taken to the road and shown our books to buyers in every part of Canada and because we have consistently pursued a policy of buying print wherever we could get the highest quality at the lowest price.

That is why I urge the Commission to do whatever it can to increase the capacity of Canadian buyers to buy Canadian books, regardless of where the paper comes from or the ink. We want Canadians to speak to other Canadians -- with the tongues of angels if possible -- and nothing else should matter.

MR. CAMP: Well, I can't, Mr. Macklem, go back and quote the revised brief to you but I made a couple of notes in passing so

if I misquote you or misinterpret you, you can straighten me out.

You mentioned the matter of McClelland & Stewart and the Commission's acceptance of a principle. That might be argumentative but let us pass on from that. You mentioned some of the publishing firms such as your own, Anansi and New Press. Is it one of the reasons that you are in less strait circumstances, even though you mentioned similar circumstances than some of the others was better management? The question that I wanted to get your judgment and opinion on is: If the Commission were to recommend the policy of assistance such as that in the matter of McClelland & Stewart, what do you suggest the criteria should be, that is to say,all publishing houses now to our knowledge that are Canadian to one degree or another say they require assistance. Should it be an absolute right of any Canadian publisher to be assisted?

MR. MACKLEM: Certainly not, it is a privilege, not a right.

MR. CAMP: How do you determine, though, who gets the privilege? I am asking you because there has been some criteria suggested and I would be interested in yours.

MR. MACKLEM: Well, the criterion that I would use would be past performance. What other criterion could possibly be used?

MR. CAMP: Well, I would suggest

one to you. The criterion could be the quality of its management, which you mentioned yourself?

MR. MACKLEM: I assume that the quality of its performance and the quality of its management would be two criteria very closely related to one another since presumably the quality of the management would show itself in the quality of performance very quickly or perhaps you are making a distinction, sir, -- perhaps you assume that an aesthetic performance and I would agree with you. To me the problem is a means and needs and I think this should be considered.

MR. CAMP: There is a problem of needs and means. Everyone says they need it.

MR. MACKLEM: It is very easy to create need. I would prefer to use the different criterion.

MR. CAMP: Let us proceed with that, when you talk about the criterion of performance.

MR. MACKLEM: I was referring to public assistance based on the size of the publishing program concerned, the quality of the program and its character. For instance, it is easier in a commercial sense to publish a Guide to Canadian Restaurants which we are doing than to publish an experimental novel or a first book of poems or still less, a children's book. It is almost impossible in Canada as I have discovered

MR. CAMP: But you have tried?

MR. MACKLEM: Oh, yes, indeed, I have.

THE CHAIRMAN: Well, you are enlarging that to some extent, not only the past performance but you have got to examine, I gather from what you are saying, the present, past and what the future looks like in terms of what the firm has in hand for the future? I daresay that these are all criteria?

MR. MACKLEM: Naturally the publisher would have to be examined on his proposals for his program in the next one, two or three years, very much as the Ontario Arts Council now does. The Council examines the performance of the publisher and his plans.

MR. CAMP: As a publisher -- and you are getting close to another question -- once you agree that the publishing industry understands finally what the criteria are likely to be in terms of the need what sort of body would be satisfactory to the publishing industry in terms of representing to them what seems to be a fair judgment, that is, as to how much if any -- what I am getting at is, that we also get from the M. & S. experience some sort of backlash and the most common complaint was the danger of government interfering in the editorial judgments of the publisher.

MR. MACKLEM: I am not

apprehensive about this at all. I don't think that our experience with the Canada Council or the Ontario Arts Council although that is rather new, gives any ground for apprehension whatever.

MR. CAMP: The problem with those two bodies is that it just isn't enough?

MR. MACKLEM: This is one problem cetainly, the major problem as far as I can see.

MR. CAMP: I just wanted to follow up, if I could. Would you think that such a body would be more effective if it were national?

MR. MACKLEM: Yes, I think it would.

MR. CAMP: Therefore, the money would be national?

MR. MACKLEM: Well, the money in the terms of reference. I had assumed, perhaps carelessly, that the terms of reference of this Commission were provincial.

MR. CAMP: Indeed they are.

THE CHAIRMAN: Indeed they are a little broader though with very great respect. The word"Canada" appears without prejudice in each sector of our terms of reference and we have not yet closed our minds to the broad expanse of this magnificent country.

MR. MACKLEM: Yes.

DR. JEANNERET: What kind of assistance are you referring to in your revised brief--

grants or loans?

MR. MACKLEM: I am in favour of grants, sir. I think that the difficulty with loans is that they are apt to become, in effect, grants because of inability to repay and I would prefer to see the public involved on a scale that it understands in the first place. I would rather be given $5,000 as a gift than lent $50,000 that can't be repaid.

MR. CAMP: The implication of that statement is that the Canadian publishing industry really is not making a profit but really a loss?

MR. MACKLEM: Well, if you want me to say that I am going to pay and the others are not, I think that this is unfair competition. This is off the record.

DR. JEANNERET: Yes, although the viability of a particular industry might be the criterion as to whether or not it was entitled to a loan?

MR. MACKLEM: Yes.

DR. JEANNERET: A low interest loan, for example. This has been the most frequently proposed approach.

MR. MACKLEM: I know.

DR. JEANNERET: I just wanted you to comment on it.

MR. MACKLEM: Well, I find a direct grant both more useful and more honest but, of course, a low interest loan is, in a sense,

exactly the same thing. The difference between the interest rate on the loan, the prevailing interest rate at the time is the amount of the annual grant.

DR. JEANNERET: There are two or three differences. One is that as soon as you say, "Loan" low interest or otherwise you raise the question of security, don't you?

MR. MACKLEM: Yes you do and there is no security. If there was any security the loan would not need to be forthcoming from the public.

DR. JEANNERET: Should the public take what security there is?

MR. MACKLEM: I see no objection to this.

DR. JEANNERET: That, of course, is the essence of the McClelland & Stewart recommendation and, indeed, it was removing the government farther than giving them direct control; only in the event of need could they enter in and then not have majority control.

On the preference for grants that you mentioned, are you referring to ad hoc grants to projects, or are you referring to a grant to Mr. Macklem? I am not quite clear.

MR. MACKLEM: I think the most workable solution is to create a body that is capable of judging the past performance and future proposals of all the publishers concerned and making annual grants on the basis of their examination of the facts before them.

DR. JEANNERET: But not on the basis of a particular project laid before them?

MR. MACKLEM: It could be either of them, but preferably grants made to publishing houses to enable them to carry on their business. These grants would, of course, be influenced by the presence of proposals in their application.

MR. CAMP: Do you suppose a value of that publishing program ---

MR. MACKLEM: The size, quality and type and character of the program.

DR. JEANNERET: Could you give us some benchmark for level of the grant that would be justified? We are dealing with a very broad spectrum here of publishing houses.

MR. MACKLEM: I think this would be very difficult to do. It is different in each case and it would be difficult for me to throw out figures from my own or any other house. This is the kind of thing that would have to be

adjudicated in some detail. As it is now, the Arts Council is now doing something about it.

DR. JEANNERET: Relating to the proved or real value, depreciated value of Canadian inventory on hand?

MR. MACKLEM: I would be surprised if that was workable and was sufficiently flexible in terms of differences between past performance and future plans; it would make it difficult. I think it would impede growth.

DR. JEANNERET: You distinguish between Canadian publishers and Canadian publishing? In other words, are you proposing these grants only for Canadian-owned publishers?

MR. MACKLEM: No, I am not.

DR. JEANNERET: In other words, you would make them available to foreign subsidiaries who have a good track record, to use a phrase we have used, for Canadian publishing?

MR. MACKLEM: I see no grounds on which you could refuse it.

MR. CAMP: In other words, there would have to be some possible need.

MR. MACKLEM: Need is not ---

MR. CAMP: To use a popular phrase, would there have to be a needs test?

MR. MACKLEM: Means test.

DR. JEANNERET: A need is much greater for certain types of firms. One type of firm is the kind of firm that does not have a strong

educational list and/or a strong agency list. We have been told this frequently. Indeed we have been told if you weaken either or both of these, you are likely to destroy the house in question. You represent that small select group which I admire, of Canadian publishers who, I believe, have neither.

MR. MACKLEM: Just so.

DR. JEANNERET: Can you hope to break out without help? I believe you have answered this already, but would you give it to me crisply? Can you make a go of it?

MR. MACKLEM: Can I survive without help? Yes, I can.

DR. JEANNERET: Only by putting outside money in, though, surely. Can you make the publishing operation itself viable without either agency or educational books as such?

MR. MACKLEM: If I answer yes to that question, you will ask me why I am here.

DR. JEANNERET: That is not my intention.

MR. MACKLEM: I know. I am here because I don't want to operate in such a restricted and limited sense.

DR. JEANNERET: Keep going. The reason, I submit, that you feel you keep going is that you feel that it is desirable to subsidize the Canadian author and artist and publisher and, I presume, those key people that go with the publisher, such as the designer and so on, but not

the Canadian book manufacturer?

MR. MACKLEM: The question to me of aid to any book manufacturer, is an entirely different question of the same order as aid to the rubber industry. I don't know the facts ---

DR. JEANNERET: Do you really feel that a strong industry in this country -- we do not have a strong regards industry and any innovations in this country would not breed publishing as it has in the past. The two would not be synonymous. Take the manufacturing provisions of the United States Copyright Legislation for an example, and the effect they have on the state of the Canadian book manufacturing technology. Count the number of book manufacturers in this country, comprehensive book manufacturers, with the three departments, composing, printing and binding. How many are there? I submit there are fewer than half a dozen.

MR. MACKLEM: I have said in my brief there are very few.

DR. JEANNERET: Can we afford to let that industry be extinguished? I am not prejudging the issue in pressing this.

MR. MACKLEM: I don't see assistance to the printing industry assists the publishing industry, but I think assistance to the publishing industry would, in the long-run, assist the printing industry.

DR. JEANNERET: We have had

publishers say the very opposite, publishers, mind you. They said help the printer.

MR. MACKLEM: I understand that. You must understand, I have built my business in another way and I must think of the terms created in my own past.

DR. JEANNERET: Publication assistance such as you have asked for, be it grants or be it loans, for publishing here, but manufacture abroad, amounts, does it not, to public subsidization of competition for domestic book manufacturing?

MR. MACKLEM: Does it? If the project does not take place abroad, it would not take place at all. The case of Thomas Davies that I spoke of was not a case where a printer in Ireland or the Orient is competing with a Canadian printer. It is a case of, if the book can be printed off-shore, it will be published and if it has to be printed in Canada, it will not be published unless the grant is so large -- this is another possibility the Commission may wish to recommend, that the public involve itself on so large a scale that Canadian publishers can afford the luxury of using Canadian printers. They are much more expensive if it is done that way.

DR. JEANNERET: The logical result of your proposal would be that no Canadian publishers at the present time, unless there were special service reasons, should manufacture in

Canada at all.

MR. MACKLEM: I am not giving anyone else advice as to what they should do.

MR. CAMP: You also make the point it is not just a matter of price. It is also a matter of quality.

MR. MACKLEM: I believe that is true.

MR. CAMP: It is a very general observation.

MR. MACKLEM: It depends on the type of work you are doing. Dr. Jeanneret said I was opposed to any Canadian publisher using Canadian print. Is this not true?

DR. JEANNERET: Not opposed, but you are recommending a situation that must necessarily follow.

MR. MACKLEM: Take a book such as the Bad Trip about the Spadina Expressway published by the House of Anansi. I think this kind of book could be published competitively in Canada and could not be published anywhere else because of the time factor.

DR. JEANNERET: Do you mean published or printed?

MR. MACKLEM: On the matter of quality I was not discussing books of that sort which were simple letterpress, off-set type jobs, but basically colour work, or we do black and white of the Karsh type.

DR. JEANNERET: May I clarify the Karsh situation? The reason it was done in Holland was because it was not cheaper but it could not have been done here. I wish with all my heart it could have been done here. There is no technology available in Canada at the present time whereby it can be done here. It was done in Holland at a greater expense than it could have been done in Switzerland, because the quality was better, and I have written long articles on the history of the publication of that.

MR. MACKLEM: I raised the question of the book on this point of quality.

DR. JEANNERET: How do we get the technology if we don't get the business?

MR. MACKLEM: I think the business has to come first.

DR. JEANNERET: That is right. One other question, and that is your reference to requiring, a recommendation in your brief that schools be required -- schools and libraries within the province, to spend a fixed proportion of their budgets on Canadian books. Circular 14 effectively accomplishes that now with respect to schools. I think you would agree.

MR. MACKLEM: I am sure you understand my anxiety about Circular 15.

DR. JEANNERET: No, go ahead. What do you mean?

MR. MACKLEM: Circular 15, as I

understand it, is a list ---

DR. JEANNERET: This is the basis of your worry, yes.

MR. MACKLEM: It is one of the symptoms of my anxiety. It is a book that has been prepared by the province and I don't want to keep referring to this one title but, Cinderella may not and will not appear on this list because it is not a Canadian book. It never occurred to me before that it wasn't. This is exactly the kind of phenomenon that worries me. You know, also, that this month there is the annual meeting of the American Library Association in Dallas and the Federal Department of Industry -- I didn't mention this because I assume it was outside the terms of reference of the Commission, but anyway, the Federal Department of Industry has organized an exhibit of Canadian books at that convention, and when I went to submit my books for exhibit, I found I had published almost no Canadian books. I just thought I had.

DR. JEANNERET: Pierre Berton was kept off that display, I believe.

MR. MACKLEM: This is the present liability factor.

THE CHAIRMAN: Mr. Macklem, on the point of whether or not loans or grants should be made available to Canadian firms only or to subsidiaries of foreign corporations, you took the position it should be open, if there is a policy, to

any one of them. If you are in a position where the pot is only so large and the pot, so far as we can determine, barely exists in this country at the moment. We hope the pots will appear and, particularly, federal pots. There is a reluctance to disclose these at this point. If there is a restricted kind of pot, where do you think the priorities should go in terms of allocating the royalties?

MR. MACKLEM: Oh, I think that Canadian firms should naturally outrank subsidiaries of foreign firms in that event.

THE CHAIRMAN: Tell me, what arrangements, if any, has your firm made with publishing or distributing houses in the United States for the distribution there of any of your titles as they come out?

MR. MACKLEM: We have an effective system of distribution in the United Kingdom and in the rest of the world through Dobson Books Limited of London, and we have no American agent and have not been able to arrange for one.

THE CHAIRMAN: Can you tell us about what attempts you have made?

MR. MACKLEM: No, I can't. I have made hundreds of attempts.

THE CHAIRMAN: What seems to be the reason why these American firms will not do business with you, this is what you are saying?

MR. MACKLEM: I think it is an

outgrowth of one of the most favourable factors in the Canadian book trade, namely, the growth of an awareness among Canadians that they are Canadians. This makes Canadian books, at least our type of Canadian books, more difficult to market in the States than they used to be. I have read a good example, if you wish to listen for a moment. We are next fall publishing a new book of stories by the Montreal writer, Hugh Hood. Hugh Hood is probably one of the two or three best-known story writers in Canada and his writing is recognized as Canadian. He has written two or three novels before which were set outside of Canada and they have been published in the United States as well as in Canada. One of them, the Camera Always Lies, by Harcourt-Bruce, I showed this manuscript to Harcourt-Bruce and they liked it very much indeed and agreed it was the best thing Hugh Hood has written, but they said "We cannot do a co-edition with you". I think they were being sincere in what they said. "We can't do a co-edition with you because the book is too distinctively Canadian and it would be difficult to sell in volume in the States." I think as our Canadian culture develops and becomes more distinctive and Canadian publishing becomes more clearly recognized as Canadian publishing it will get increasingly difficult to sell Canadian books in the States. If you are going to ask me how I managed in the circumstances

Nethercut & Co. Ltd.
Toronto, Ontario

to sell these books in England, I am going to have to say I have no idea.

THE CHAIRMAN: What you are in effect saying is that a Canadian publisher, whether it is fiction or otherwise, authored and produced in Canada, really has no opportunity of cracking the American market?

Nethercut & Co. Ltd.
Toronto, Ontario

MR. MACKLEM: To me -- and I feel very strongly about it -- that Canada is the core of the problem and the solution. You have to make it in Canada. I realize in the kind of academic publishing done by the University of Toronto perhaps there may be a difference but in my kind of area or the New Press area or the Anansi area to sell in this area you have to make in Canada or you won't make it. This is 90 per cent of our sales which occur in Canada and if we can't succeed in Canada, we won't succeed anywhere else. I think this will always continue to be the case.

DR.JEANNERET: It is a very important point you are making here.

MR. MACKLEM: I am strongly opposed to the view that has been advanced that Canadian publishers can solve -- that the English-speaking world is a large market of 300 million people and that it is accessible to all publishers resident in all countries belonging to the English-speaking group, that I can sell in the United States just as well as Harcourt-Bruce can sell in Canada. This is worse than nonsense, quite untrue and it is a red herring.

In my view I think the Commission must take the view that the market for Canadian books is 20 million people or that proportion of them willing to buy books and this is small and this is the problem that we face.

THE CHAIRMAN: But then the problem, of course, is that the United States market is the United States and Canada?

MR. MACKLEM: Exactly so.

DR. JEANNERET: On the other hand, you have to admit, I think, Mr. Macklem, that we have not begun to exploit the export potentialities for Canadian books and that it is perhaps contradicting you partly but it is a fact that in many areas, including school book areas, we are producing original copyrights of tremendous importance in this country the hard way and selling them only in this country, then arrangements for sales abroad of rights and adaptations do exist and we do need to go to Frankfurt and sell our rights.

MR. MACKLEM: In certain areas this is true but I don't see it as a general broad solution, certainly not at this time.

DR. JEANNERET: It is not the only solution.

THE CHAIRMAN: At the opening of your written brief that you submitted to us, you said,

" For the purposes of this brief, we take it for granted that it is important to the future of Canada to have and to preserve a native publishing industry capable of publishing Canadian writing and

" of bringing it to the attention of Canadian readers."

Why do you take it for granted?

MR. MACKLEM: Well, I have no alternative.

THE CHAIRMAN: Can you explain the reason why you don't have any alternative?

MR. MACKLEM: I assume that we are interested in the survival and health of the Canadian culture and because of my experience and background I see colour as essentially purple. There are other elements in the Canadian culture but I think it is legitimate to assume that these are not our direct and immediate concern.

THE CHAIRMAN: Why is it that you consider that there is something different in terms of culture between Canada and the United States which you are, in effect, saying, that is worth preserving?

MR. MACKLEM: I think our individuality is worth preserving. I think mine and yours are both worth preserving and they are both different.

THE CHAIRMAN: So, what you are saying is that the United States is quite a bit different from Canada?

MR. MACKLEM: This is an empiracal fact.

THE CHAIRMAN: We are told from time to time that it is not an empiracal fact.

MR. MACKLEM: Well, you should tell the people who tell you that to go and take their Canadian books and sell them in the States.

DR. JEANNERET: You are saying you can make these Canadian books, children's books, school books say, in Japan, and keep Japanese culture out of them?

MR. MACKLEM: Yes, I am.

DR. JEANNERET: I can't quite agree with that.

MR. MACKLEM: Well, we do have difficulty with oriental typesetters. Sometimes they like to use a Japanese character or Chinese character and we take it in proof.

THE CHAIRMAN: The whole treatment, the maps and things of this nature?

MR. MACKLEM: We send a book to print, the text is there, the art work is there and every line is specified and designed. If they don't follow it, they have to change it.

DR. JEANNERET: Well, you reduce it to a clearly mechanical service?

MR. MACKLEM: The cultural elements are mechanical. I am not speaking of the spill and quality of the typesetting, the quality of the gravure work and so on, this is really cultural. I don't see Dutch culture in the Karsch portfolio except their abilities to solve these problems.

DR. JEANNERET: But I see

Czechoslovakian culture in the Canadian book printed there, very often.

MR. MACKLEM: Not in the Karsch. book.

DR. JEANNERET: Yes, I do see a foreign culture insofar as the artistic contribution to the graphics are concerned because we can't do that here and everybody knows we can't.

MR. MACKLEM: Well, the technical solution is correct, yes.

THE CHAIRMAN: On the last page of your written brief you say:

" The need for public action is as urgent now as it was then."

You refer then to the Canadian broadcasting industry a generation ago. You say:

" This is an area in which the provincial government must share the responsibility for constructive action with the federal government."

I am wondering if you have seen any evidence of the federal government's willingness to share with the provincial government as yet?

MR. MACKLEM: Well, as a Canadian I am embarrassed at the action of the federal government, the provincial invitation to take part in the McClelland & Stewart loan.

THE CHAIRMAN: You suggest in

what you are saying that the Commission should come down with a sort of general policy in relation to these matters with regard to a recommendation to the provincial government at least at an early time, is that, in effect, what you are saying?

MR. MACKLEM: At your first convenience.

THE CHAIRMAN: Or an interim report, another one?

MR. MACKLEM: You don't need an interim report for me.

THE CHAIRMAN: Well, we are getting one.

MR. CAMP: You may not be able to answer this satisfactorily yourself but perhaps you could give some answer to me. In terms of publishing and marketing a Canadian book in this country there is a certain percentage of your sales which I would assume you take to be Ontario which would be the larger proportion?

MR. MACKLEM: Yes.

MR. CAMP: Do you have a ball park with you, as we say?

MR. MACKLEM: I am sorry I can give you an exact figure in about a month but I should have prepared it now. I would think that Ontario sales would probably amount to about one-third of the total sales but I am sorry, it is a guess.

MR. CAMP: Because you mentioned

the two problems, one of which is the cost of printing or publishing in Canada for which you have found a solution. The second is the cost of sales?

MR. MACKLEM: Yes.

MR. CAMP: But I don't know that you suggested any solution to that problem or that you have found any solution to that problem?

MR. MACKLEM: I don't think there is any solution to it. I think thats in a market which is universally known as a Canadian market then you have to spend market money or simply refuse to serve it, stay in Toronto and sell in Toronto which is a possible alternative. It is not one that attracts me because I don't live in Toronto. I took to the road because I started in Ottawa and all roads lead away from Ottawa.

MR. CAMP: Even to Toronto.

THE CHAIRMAN: That is a very interesting observation. Is your firm incorporated, Oberon Press?

MR. MACKLEM: Not at the moment, it probably will be shortly.

THE CHAIRMAN: How long have you been in business with your publishing operation?

MR. MACKLEM: Four years.

THE CHAIRMAN: And in the event that the Commission would like to have confidential financial information concerning your firm's

operations, are you prepared to let us take a look at your situation?

MR. MACKLEM: Certainly.

MR. CAMP: Sometimes you can arrive at criteria by comparative figures and statistics.

MR. MACKLEM: Yes, indeed.

THE CHAIRMAN: Thank you very much, Mr. Macklem, we have enjoyed having you with us. It was a very interesting presentation and we appreciated it very much indeed.

MR. MACKLEM: Thank you.

---Recess.

SUBMISSION OF CANTERBURY HOUSE ANGLICAN BOOK SOCIETY

THE CHAIRMAN: We have with us now representatives of Canterbury House Anglican Book Society. The representatives are Reverend Borden Purcell, Chairman of the Board and Mr. Donald Meakin, the Manager.

Gentlemen, we welcome you. We have read your brief but if you tell us about the major points in it and then we can discuss it with you.

MR. MEAKIN: Thank you very much and we do appreciate the opportunity to attend and present this brief. We are a retail book store and so, therefore, the three points we have put forward are primarily those which concern us as a

book seller and I have outlined them here in three different areas.

The distribution of books, we find, is one of the most difficult problems we have to face. We are faced with high book prices but at the same time it is difficult to get the books to sell. We feel that the problem here is that the main publishers of books distribute through agents and that in order for us to buy books which we are going to sell to the general public we must buy through agents who in Canada are publishers as well. This arrangement, in large part, has proved unsatisfactory and we have reverted in many cases to buying through a jobber in both Britain and the States and in some cases, of course, we can buy directly from the publisher and in these cases we do find that we are certainly able to procure the books in very good time, in good order and able to be of much greater service to our customers.

The whole business of distribution of books, I feel, is woefully antiquated, as I have mentioned here. Merchandising of books in Canada, as far as the publisher goes, I feel that there could be more co-operation on the publisher's part and I just mention here the possibility of having trade book fairs each Fall and also this would be done on a co-operative basis in the major cities, and also to bring before the general public the place of books. We just don't have the kind of

mass advertising about the value of just books, without any particular books but just the place of books in everyone's life.

The third point that we were concerned with was the pricing of books, the fact that when we finally get an American book on our shelves, we are faced with having to offer the customer this book at a price anywhere from 20 per cent to 40 per cent higher than the original cost. The publisher-agent justifies this for many reasons -- import duty, the exchange rate, at the moment there is no exchange rate but at least if there is it is very minimal, but I still find that we are still being pegged with about a 10 per cent increase on the book to cover the exchange rate.

So, I feel that the book really should --

MR. CAMP: You mean the invoice says, "For U.S. exchange"?

MR. MEAKIN: No, it doesn't, but when we take the matter up with the publisher this is one of the costs which he takes into account in the increasing of the American price.

MR. MEAKIN: Then we go on, insofar as the duty of books, there is a duty on most books coming in from the States with the exception of religious and educational books, of 10 per cent. However, we find in our business where we are selling a lot of religious and educational books that this 10 per cent still goes on the book whether the duty is paid or not. The publisher says in many cases, this has to be so because there is so much administration cost in trying to separate the non-dutiable books from those which are. However, of course, the handling and warehousing, trucking and so forth accounts for further costs, so you end up with increased prices of 20 to 40 per cent. 20 per cent is justified, I feel, but when you get up to 30 or 40, I think it is excessive and the customer in the end is paying a premium for book distribution, which I think is not efficient.

The examples I have been able to give -- I think that is about all I would have to say in elaborating on my brief.

THE CHAIRMAN: You have outlined the problem in terms of the pricing. What kind of solution do you recommend to that kind of a difficulty, if any?

MR. MEAKIN: It is very difficult to recommend a particular one, but I do feel that if the bookseller was free to order his book directly from the publisher as well as possibly

from or through some warehousing here in Canada, that he would have a choice.

MR. CAMP: Does he not now have a choice?

MR. MEAKIN: He doesn't have a choice at all. Where there is an exclusive dealer in Canada, he refers your order to that particular distributor.

THE CHAIRMAN: We are told many publishing houses in the U.S. and U.K. have no Canadian agent.

MR. MEAKIN: That is right. In those cases we buy directly from that publisher and these are the instances where I have cited that we have found satisfactory service, particulary price-wise. We have been able to offer the customer a book at a competitive price to that which would be bought in the country of origin.

MR. CAMP: You can answer this if you like or not like, but what is the volume of your book purchasing annually?

MR. MEAKIN: Our retail sales last year were $110,000.

MR. CAMP: I find it difficult to understand. This is very interesting. Why it is that you can allow yourselves in a volume of business that great, why you have to submit to that kind of service. You know, one has a lot more faith in a customer-client relationship that one would not be overcharged, as you suggest you

are, from a fair price of 20 per cent to a price of 40 per cent, although I suppose if you pass that along to your customers, they essentially have to redeem this inflated cost.

MR. MEAKIN: They absorb it and, of course, our sales are substantially less to what they might be, had we beenable to market that particular item at a fair price in relation to the country of origin. Insofar as what you say in the first place, with a volume of that size, why we submit to treatment of this nature, we are in full sympathy with the publisher and quite recognize the problems he is up against. We have discussed these matters with the publisher many, many, many times and we have no other choice but to buy from the publisher-agent. We must submit to him. We can't buy the book anywhere else, unless we can buy it through a jobber when that publisher-agent holds the exclusive distribution rights. They have a monopoly on that particular item.

MR. CAMP: At the time when the Canadian dollar was some 9-1/2 cents below the American to this time, there has been no adjustment, no allowance ---

MR. MEAKIN: I can think of two publishers who have made adjustments, yes.

MR. CAMP: Two?

MR. MEAKIN: Yes.

MR. CAMP: The Chairman wants to know,

up or down?

MR. MEAKIN: Down.

MR. CAMP: Is there any reason, any substantive reason why your relationship with United Kingdom firms, is more equitable than your relationship with American firms?

MR. MEAKIN: We do have the advantage in buying from the United Kingdom at the sterling rate and we do convert the sterling rate at a more favourable rate than what we would do in importing books from the United States. The situation is considerably different. We can buy books from the United Kingdom and sell them at a reasonable price because of the sterling.

MR. CAMP: There is a marvelous example of the paperback imprinted $2.45 U.S.A. slightly higher in Canada and"slightly higher" turns out to be $3.25.

MR. MEAKIN: Yes. In that particular case, for instance, we would have taken that matter up with the publisher and the publisher's reply consisted of one sentence "This cost is due to operating overheads". That would take in anything. I can appreciate the costs that they are involved with, but I think the system is very out of date.

MR. CAMP: Is this unique to Canterbury House? This pricing business, is it unique to Canterbury House, or do some of your

colleagues have the same experience?

MR. MEAKIN: I think the Booksellers' Association would certainly back this particular example up, of which we are members.

DR. JEANNERET: You say you are principally a retail bookstore carrying on both a local trade in Ottawa and a mail order business from coast to coast. I wonder if you would give some thought to this question: How is your market demand created, Mr. Meakin?

MR. MEAKIN: We create market demand ---

DR. JEANNERET: How is your market demand created? Why, do the people who buy books from you buy them from you? Why do they buy the books they buy from you?

MR. MEAKIN: In the City of Ottawa and sofar as passing trade and walk-in trade, they buy them from us because we do specialize in not only general books, but in religious books, philosophical books, books dealing with sociology, and I suppose in a great many cases they would not be available through other regular book stores, but we do promote through advertising and we promote through direct mail to customers from coast to coast, advising them of titles of new books.

DR. JEANNERET: They generally don't have any book in mind when they come in contact with you?

MR. MEAKIN: Many times they would have a particular book in mind.

DR. JEANNERET: What would have put it in their minds?

MR. MEAKIN: Taking a course at night school and they need a particular book.

DR. JEANNERET: Why would they need this book?

MR. MEAKIN: Because it has been recommended by the teacher.

DR. JEANNERET: Where did he hear about it?

MR. MEAKIN: It is one he has read.

DR. JEANNERET: Where would he get it?

MR. MEAKIN: He would probably get a free copy from the publisher.

DR. JEANNERET: Which publisher?

MR. MEAKIN: The publisher who originated it or had an agent in Canada.

DR. JEANNERET: You mean your demand is largely created by the agent in Canada and you are asking permission to order around him?

MR. MEAKIN: Not always, no. This is a service which he does provide, sure he does.

DR. JEANNERET: The book reviews are created by review copies that are sent to viewers,presumably by the agent?

MR. MEAKIN: In some cases, yes.

REV. PURCELL: I would like to respond to this, a lot of our books are original books and some of our best customers are clergy and they have picked out the book because of the author and they have heard that one of their favourite authors has produced another ---

DR. JEANNERET: Where did they hear this?

REV. PURCELL: It is what is known as the ecclesiastical grapevine. You have clergy conferences and some guy says "Have you read Father so and so's latest book?". This is a bit of oneupmanship and you dash off and get a copy of it so the next conference you go to you can pull the same stunt. I would question that we depend a lot on the agent to promote the interest in the book. This is something that many of us who are in this particular trade jolly well find out for ourselves. We don't wait for somebody to ---

THE CHAIRMAN: Which trade are you talking about, which collar are you wearing when you say that?

REV. PURCELL: Priestcraft.

DR. JEANNERET: But taking it by and large, the books that are sold through trade book sellers may be bought on impulse, and more power to the bookseller, but apart from that they are being read or heard or talked about in advertisements and reviews have been read. Maybe

they have been read in foreign newspapers or they have seen it on the Today Show or something else, but insofar as the Canadian media are concerned, the Canadian media make this information available as a result of the efforts of the Canadian agents. So we reach a dilemma -- I am not again prejudging it -- where the Canadian agent indeed does contribute to the demand that you enjoy for your books.

MR. MEAKIN: Agreed.

DR. JEANNERET: Less perhaps for you than the average trade bookseller. Are you members of the C.B.A.?

MR. MEAKIN: Yes.

DR. JEANNERET: How many employees do you have in your retail operation?

MR. MEAKIN: We have four full-time volunteers -- four full-time workers and about 10 volunteer staff.

DR.JEANNERET: I was going to say, they must be all volunteers because at $110,000 retail gross, you can't pay 4 people. Are you subsidized directly or indirectly?

MR. MEAKIN: We are not subsidized at all.

DR. JEANNERET: Your full rental costs are computed?

MR. MEAKIN: Yes.

DR. JEANNERET: Your overhead costs as well?

MR. MEAKIN: Yes.

DR.JEANNERET: I think you are doing very well on $110,000 volume. This means we are comparing apples and oranges a little bit with other situations.

I thought your recommendation that Canadian book publishers and Canadian publisher-agents -- I think that is what you mean -- cooperative institutional advertising programs is an interesting one. It has often been discussed and has very rarely been tested. Have you any ideas of how it could be tested economically, could one choose an area in Canada that was reasonably isolated as a test centre, for example, have you got one in mind? I presume we are talking about the sort of "Give a book for Christmas" approach. That is a very trite suggestion.

THE CHAIRMAN: How about Ottawa?

DR. JEANNERET: Have you any suggestions?

MR. MEAKIN: Simply that they are the publishing industry does -- they are organized and I think that they could take upon themselves to promote through Canadian magazines and daily newspaper advertising, to assess the value of books.

DR. JEANNERET: One has to measure these investments though?

MR. MEAKIN: Oh sure they have to be measured, yes.

DR. JEANNERET: It is very difficult. I remember once Dr. Thomas who used to be President of the CAAD suggested that one take the Lakehead -- this was pre-television days -- and conduct a controlled experiement there. It was a very interesting idea and I wished it had been pursued but it is that sort of thing you are talking about?

MR. MEAKIN: Yes.

DR. JEANNERET: On the three U.K. lines that you handle exclusively, at what rate do you convert the shilling?

MR. MEAKIN: We convert it at 20 cents.

DR. JEANNERET: You don't mind 20 cents as a conversion rate?

MR. MEAKIN: Sometimes we will convert on a higher priced book at 16 or 18 cents. If it is a $10 book we try to mark it at $8.95.

DR. JEANNERET: At what rate do you convert the American dollar, if at all?

MR. MEAKIN: We don't convert at all. On our retail business in the store we sell at par wherever we can bring the American book directly in. If it is $1.95 we put it out at $1.95 now that the rate has dropped. When the rate

was 8 per cent on certain items we did increase it by 10 but now we are selling at the American price.

DR. JEANNERET: Your substantial mail order business and retail business, you price always at the Toronto publisher's invoice list price to you without any addition?

MR. MEAKIN: Right, always. If anything we bring the price down a bit. We do a lot of this.

MR. CAMP: Just to come back on that, in your mail order business is it to the general public or is it to a special clientele?

MR.MEAKIN: Well, our mail order business would comprise 2,000 names mainly clergy and 250 names of non-cleric types -- interested people who read books and who have bought books from us over the years and they would be any place in Canada. We mail out regularly to them three or four times a year listing new books and it is from those mailings that they order.

MR. CAMP: Is that a first-class mail business?

MR. MEAKIN: No, it is not a first-class mail, it is printed matter.

DR. JEANNERET: It has a somewhat unnecessary onerous rate, would you say?

MR. MEAKIN: Yes.

DR.JEANNERET: Compared to the American rate?

MR. MEAKIN: Yes.

THE CHAIRMAN: I just made a comment to my colleagues that the isolated test market that Dr. Jeanneret was talking about might well be Ottawa. As book sellers, what do you think of the new legislation and regulations in the Province of Quebec of which I am sure you are aware?

MR. MEAKIN: Yes, I am aware of it. I think -- I don't like the idea of having to have your book store licensed in order to do business with the province. Is this what you mean, sir?

THE CHAIRMAN: Yes, exactly.

DR. JEANNERET: You like the fact that the libraries have to buy from the book store?

MR. MEAKIN: Yes, I think that will create a very healthy retail market in the province which will certainly be of considerable benefit to the man on the street. They certainly should be able to develop top rate retail book stores because of the great increase that they will receive through the institutional business but the method by which they are going about it, ideally it sounds very good but when you put into practice one has great doubts about how one is going to have to qualify in order to be licensed to sell books. It is like the LCBO: You have to sort of come up to certain standards to get a particular licence and pay a fee and then pay

them a percentage of what you sell and it is a very good business for the LCBO or for the province.

As far as Quebec goes I just do not like the idea of being licensed to sell books.period. There are many implications involved.

THE CHAIRMAN: With regard to mass market paperback books, do you deal with these at all in the retail way?

MR. MEAKIN: Yes.

THE CHAIRMAN: Where do you get your supply of those that are imported from the United States, where do they come from?

MR. MEAKIN: They either come from the local distributor --

THE CHAIRMAN: Who is?

MR. MEAKIN: National News in the city here -- or we deal directly with the publisher in those instances where we are able to qualify and Pocketbooks of Canada which we sell we buy directly from them.

THE CHAIRMAN: Are they still imported books you are talking about?

MR. MEAKIN: Yes but they have a very efficient set-up insofar as distribution is concerned and, of course, the books are all sold at the American price.

DR. JEANNERET: I believe I am right that a firm such as Pocketbook's willingness to sell to a retailer directly depends on how long

you have been in business with them and that if it is more than eight years they cannot do so and it must be channelled through the news company, is that right?

MR. MEAKIN: If it is less than eight years.

DR. JEANNERET: If it is less than eight years, it must be channelled through the news company?

MR. MEAKIN: Yes, it has to be an established business doing a considerable volume in order for them to deal directly with them.

DR. JEANNERET: Unless you are one of certain retailers named. We won't pursue that but this is a fact?

MR. MEAKIN: Yes.

THE CHAIRMAN: What about the selection of these paperbacks that you buy from National? Do you have a choice as to what it is you pay?

MR. MEAKIN: Yes, insofar as our particular account goes we do have a choice. The local distributors prefer not to do it this way: They prefer to have their vans go around to the different bookstands and put on the books they would like to see sold and take off those books which are not selling and keep the mill grinding but we don't: We choose the books we are going to sell.

THE CHAIRMAN: I suppose it is the

basic association which your book store has with a particular group which allows you to do this and to be selective?

MR. MEAKIN: Yes, that is right, discriminate is the word.

REV. PURCELL: Not the index.

THE CHAIRMAN: I suppose that out of what you get offered by way of titles you probably can select for your store about one out of one hundred items?

MR. MEAKIN: I would not think so, sir.

THE CHAIRMAN: Is it more than that?

MR. MEAKIN: I think there is more, yes.

THE CHAIRMAN: Do you sell in your store periodicals and magazines?

MR. MEAKIN: No.

THE CHAIRMAN: Thank you both very much for coming. It has been most interesting and we appreciate it very much.

MR. MEAKIN: Thank you.

SUBMISSION OF DR. D.C. BAIRD

THE CHAIRMAN: Now, we have with us Dr. D.C. Baird, speaking for himself. He has filed with us a brief and, Dr. Baird, if you would tell us the main points you wish to make and then we can discuss it with you. Would you tell us a bit about your own background first?

DR. BAIRD: Mr. Chairman and gentlemen, I am from the Royal Military College. I am Professor of Physics and my experience lies with a very specialized part of publishing, to wit, the college textbook publishing field. I have published two books, the second of which has gone through such editions as the controversial third volume so my experience lies in the publishing, in effect, of three books with two U.S. publishers.

I suppose my main motivation in offering to submit a brief was partially in expiation of my sin of publishing with a U.S. publisher from Canada and I think in the circumstances surrounding that --

MR. CAMP: A U.S. publisher in Canada?

DR. BAIRD: No, at the time the U.S. publisher had no local subsidiary. He had offices but no subsidiaries. This has since been changed.

I felt that the circumstances surrounding that might be of some interest, especially since this is the area of textbook

publishing in which the money in publishing lies and since money is our topic I thought I would try and analyze those aspects of the situation which contributed to the money that has resulted.

Now, take the case of my first textbook first. It has been a relatively successful book. It was published around 1961 and it is in about its eighth or ninth printing now. It has not been put through a new edition, there have been no changes in it since the second printing and the publisher just cranks out another 10,000 copies with every printing and it must be clear money in the pot as far as that publisher is concerned.

THE CHAIRMAN: Does it help you I hope?

DR. BAIRD: Oh it does, it has been very nice to me. But nice as it has been to me, my concern is with the amount it has brought the publisher because the profits which come from profitable books are the resource that allow publishers, the kind of publisher with whom I am familiar, to do the idealistic kind of publishing which I have in mind for Canada.

In our field, for example, the non-profitable publishing consists of the publishing of conference proceedings and other books of very limited circulation. These books do not usually result in any profit, in fact quite frequently a substantial loss. The losses

from that are borne by the enormous profits which are available in the textbook publishing field.

The circumstances involved in the publishing of that first textbook which resulted in its profitability can be identified. Firstly, the set of notes from which the textbook was derived was written by me for laboratory purposes in the Royal Military College for internal circulation. At that time, being young and innocent, I had no concept of publishing and no thought of having the notes published. They were identified by an extremely effective representative of a U.S. publisher who took the initiative to notice them lying on the laboratory bench and asked if he could take them away. So, the first point was initiative and secondly the fact that he was there. This particular publisher's representative was in the college I would say about every three months for years and years. It was his familiarity with the situation which allowed him to see the potential in this particular set of notes.

Now, as I mentioned in the brief I did have qualms about allowing it to go to a U.S. publisher and I submitted it to the only Canadian publisher, Canadian-based publisher who was active in the field of science textbook publishing for the university area, and there apparently --

DR. JEANNERET: Is there anything confidential about the name of that firm? I have been trying to think which firm it would be and I have not been able to think of one that specializes in science at the university level.

DR. BAIRD: Macmillan's.

DR. JEANNERET: It was the use of the word "Canadian" that threw me: They are a British subsidiary.

DR. BAIRD: They are an English subsidiary but they did have a Canadian-based company.

DR. JEANNERET: Correct.

DR. BAIRD: This was the closest thing to a Canadian publisher who could touch this book. They were unable, as they said, to take the risk of publishing because the book contained such innovated material that the market was not assured. As it turned out the market did exist and ultimately the book was published. Since we are now talking about names it was published by Prentice-Hall.

DR. JEANNERET: I figured that one out.

DR. JEANNERET: I figured that one out.

THE CHAIRMAN: Was their opinion based on its ability to penetrate, or inability to penetrate the American market?

DR. BAIRD: I think so. He kept talking about the limited size of the Canadian market and the risks that were consequent on publishing a book for such a limited market. I presume that Macmillan would have contacts in the States, but since Collier Macmillan is now, I don't know where, obviously he didn't have any close contacts.

DR. JEANNERET: St.Martin's House is Macmillan's, but that is all right.

DR. BAIRD: Where have they got to? Once the book was published, the keys to its financial success have been two: Vigorous promotion which an outfit like Prentice-Hall can carry out most effectively and which they did most effectively -- they must have spent a very large amount of money in advertising at the beginning. Secondly, the enormous range of their contacts. They have representatives, numerous representatives who visit each university and any particular area where a book can be sold sufficiently frequently that they are in touch with the people involved.

I know from my own experience that if one is at the opposite end of the scale in

adopting a textbook for use in a university such as a flood of advertising material when the only thing that persuades me to adopt a textbook is to have someone come along, place a copy on my desk and flip through it with me and say "This is exactly what you want for your physics so and so". Prentice-Hall and McGraw Hill can do this. Smaller publishers don't.

Secondly, in addition to the wide contacts on this continent which Prentice-Hall have, their contracts are well worded, usually in the form of a subsidiary under its own name, Prentice-Hall in the U.K. and other places. This means that the book I am talking about was adopted and used in the most unlikely places and I would say a total of about one-third of the sales over the last ten years have been outside the continent of North America.

DR. JEANNERET: Have you received export royalties?

DR. BAIRD: Yes. It is slightly lower, about two-thirds, but it still makes money for me and for the publisher. This is the source of money which can support publishing which, no matter how important for perhaps a limited market, is not profitable. I am thinking now of the kind of publishing we have seen in Canada within the last 15 years or so, and which is now in financial difficulties. My feeling is that the viable pursuit of publishing like that must be

associated with publishing in a profitable area. If one is to break into the field in which publishing is profitable, one has to play in the big league. One has to break into the competitive market which, as far as our area of publishing is concerned, is dominated by the big American publishers, Prentice-Hall, McGraw Hill and, to some extent, by Oxford and Cambridge United Press, University Press. I feel the problem of continuing to publish the kind of book we must have in Canada, the kind of book which Jack McClelland has been publishing and Ryerson and the University of Toronto Press, in order to support that, we must get a share of the action in the big, giant, international publisher field. This is a problem of capital and I do not know why private capital has not come forward to finance what is undoubtedly a profitable business. The publishers in the United States are profitable. They are sought after by other companies for major purposes and I think Prentice-Hall has so far resisted this. Perhaps Dr. Jeanneret can verify that. I don't know whether Prentice-Hall has so far resisted the take-over bids which have been made from time to time, but there is no doubt the financial attractiveness of a company like Prentice-Hall is an indication of its profitable status.

DR. JEANNERET: I don't understand. Have they resisted the take-over bids?

DR. BAIRD: I think they have.

DR. JEANNERET: Take-over bids from where?

DR. BAIRD: I believe there was a bid from RCA.

DR. JEANNERET: I am sorry, you mean from the large international -- yes, I understand.

DR. BAIRD: I was saying that, since this business is profitable, I don't know why private capital has not come along in Canada to invest in the growth of a Canadian-based company which can break into this undoubtedly profitable area. I can only suppose, not having enough information to divulge, that the profitability is not high enough. Therefore, if private capital is not available to do this, I think we must find the capital from somewhere. I would like government financing for this but not in the form of subsidy. I believe publishing can be a profitable and viable business if one has amount of capital required to break into the big league publishing.

THE CHAIRMAN: I suppose the capital to which you refer also would involve the distribution system too along the lines you are talking about.

DR. BAIRD: Yes. I think one has to do the thing on a large scale or not at all. I think one has to get into a sufficiently well capitalized operation that one can set up

subsidiaries of whatever Canadian press it is, all over the world. If one breaks into the promotion and advertising in representative areas of operation, then it becomes a profitable business, but not until one does. Actually, it is not -- the capital required is not as high as it must be in other areas of business. I was surprised to see lately in the press a comment about the capital intensive nature of publishing. I am surprised to see that because the capital publishing with which I am familiar, is not capital intensive at all.

DR. JEANNERET: It is a relative statement.

DR. BAIRD: Yes. The kind of publishing with which I am familiar is low in capital required.

DR. JEANNERET: And high in labour?

DR. BAIRD: High in labour. We must disassociate completely the business of publishing from the business of printing. The publishers with whom I am familiar would not know a printing press if they saw one and their worldwide contacts are such that their typesetting and printing is done anywhere in the world where they can have it done most cheaply.

The costs which are involved in setting up, say, a subsidiary of an American giant, international publisher are restricted to office space, warehouse space, and selling space.

DR. JEANNERET: I think if you looked at the balance sheets of any ten publishers you care to choose under the heading of "Inventories", you would feel they were capital intensive, but this is a relative statement. The industry is not a very large part of the g.n.p.

DR. BAIRD: The largest part of the capital is tied up in inventory.

DR. JEANNERET: It still gets there. Good and bad.

DR. BAIRD: I know that when -- perhaps you would know more about this than I do, but from Prentice-Hall of Canada, when it was set up, I don't believe they stocked very much in Canada and their costs at that time were very little more than distribution costs which they had before that.

DR. JEANNERET: This is one of the complaints of the librarians, a very legitimate one.

DR. BAIRD: Yes. My point is quite simple, that there is money in the publishing business and I would like to see Canada have a share of the action.

DR. JEANNERET: Your argument seems to carry inevitably to government publishing. You say it doesn't, but I don't see how it does otherwise. Government involvement in publishing.

DR. BAIRD: The kind of government involvement that I see is one of investment. I

suppose the Canada Development Corporation has that concept in mind.

DR. JEANNERET: With what security?

DR. BAIRD: Security in publishing is, I suppose, the knowledge that profits are available in this area if one breaks into it.

DR. JEANNERET: That is the incentive.

DR. BAIRD: I would have said the incentive also is the preservation of something that was very important to keep purely Canadian publishing.

DR. JEANNERET: There is no bust like a big bust and you are advocating a big bust, if any.

THE CHAIRMAN: Did you say "bust' or "bus"? You have to have a vehicle for this.

DR. JEANNERET: What happens then? That is what I mean by security.

DR. BAIRD: Yes, I know. I think this is a risk that is worth taking. In light of the fact that international publishing is demonstrably profitable, if we can get into this area, I think we can compete as well as any anyone else, since we have as much publishing knowledge of books in Canada as they have in the United States.

DR. JEANNERET: I think your argument is extremely well worked out here and terribly interesting, but you do avoid my question as to security.

THE CHAIRMAN: Can I perhaps participate if not assist? I don't often assist. In any event, I have attempted to construct a model of what you told us in terms of what you think would be appropriate because you see a demand, an opportunity to creat a viable industry within the framework of the creation of texts and that there is an opportunity for a Canadian organization to be put together. This is what you would like to see. I gather from what you said that you are thinking in terms of a major Canadian corporation which would be multi-national in its operation and would be a major Canadian corporation which has its fundamental financing from the private sector rather than the public, from government. This corporation would, in effect, be Canada's major domestic publisher, it might gain rights from other local publishers, particularly in the area of texts, and that it would set up subsidiaries, if you will, in the United States, the U.K. and elsewhere, through which Canadian-authored texts would be put on the market and sold vigorously and promoted, again using the Prentice-Hall kind of model and that it would be incidental to you as to where the manufacture of these books took place, that is to say, if the economics indicated the actual printing might take place in the U.K. or Japan, that would be incidental in your model, I should think.

DR. BAIRD: I think it has to be because the profitability in the publishing field seems to rely on the pursuit of the lowest possible printing costs.

THE CHAIRMAN: Your prime thing is that there should be Canadian authorship and Canadian imprint?

DR. BAIRD: Canadian imprint.

DR. JEANNERET: International authorship.

DR. BAIRD: International authorship, because, I think, one should be able to seek the best authors wherever they are in the world and I would like to see them coming out under the name of some Canadian press.

DR. JEANNERET: If it is going to be successful, they would have to be mostly non-Canadian authors.

DR. BAIRD: Yes.

THE CHAIRMAN: In any event, it would do something that does not appear to be being done at the moment. The point you are making in the centre of all of this, is clearly that it would provide the bus -- not the bust -- the vehicle for the creation of Canadian authorship and enhance that atmosphere for this particular field.

DR. BAIRD: Right. It would supply the financial basis for publishing in a limited market which may not be profitable and may

actually result in a loss.

THE CHAIRMAN: And the security of which Dr. Jeanneret speaks, if government participates in this kind of corporation, you would undoubtedly see government participating in a minor role or in the role of providing loans or debenture money that is all.

THE CHAIRMAN: Or stockholding, since I have used the example of British Petroleum, the stock is actually held by the British government, but there is no question of this being a government subsidy for the failing operation. The government wants a share of this undoubtedly lucrative action.

THE CHAIRMAN: Until the Bay Company came along, it became much more interesting.

DR. BAIRD: I don't see why the profits of this kind of thing can't be retained in Canada. It doesn't much matter really whether the government is getting a share of the investment return or the private sector is getting it but I would like it to stay in Canada.

DR. JEANNERET: It is not government publishing you are advocating?

DR. BAIRD: No.

DR. JEANNERET: I cannot distinguish it.

THE CHAIRMAN: I said that just to provoke this and you provoked it all right.

DR. BAIRD: I say a private company in which the government,presumably through the CDC,would be prepared to buy stock.

THE CHAIRMAN: We had better get the CDC going first.

DR. BAIRD: It is getting there, the last thing I saw about it. When you talk about security, I suppose that any business, when it sets out from scratch is faced with this problem of security in that any business proposition can turn out to be a losing thing. I presume that one uses market surveys and other estimates of selling potential to do this and this, I think, is the only basis on which one could go ahead.

DR. JEANNERET: You are speaking of the government holding common stock?

DR. BAIRD: Yes.

DR. JEANNERET: The majority.

THE CHAIRMAN: You did not mention majority. You have made a basic assumption but I am just talking about what the model is that we have been speaking of and that is the idea is that there is sufficient marketability that the private sector would come in and take up stock in a majority way in this particular company.

DR. JEANNERET: That is your proposal?

DR. BAIRD: Yes. I think there is money in this. I think we just need to get a start.

DR.JEANNERET: It is very easy to see one of the influences on publishing decisions made by ownership by government and all one has to look at is the kind of publishing that is done -- and I respect what is done very much, but the kind of publishing that is not done by the Queen's Printers everywhere, especially in Canada be they Information Canada or whatever. Look for your provocative studies of political issues and political and historical contributions and so on, in their publishing and you will find none and you never will find any.

DR. BAIRD: I have no intention of that whatsoever.

DR. JEANNERET: But this is where you get to if the government share is predominant.

THE CHAIRMAN: But he is not saying

it is predominant, he is saying it is a minority if it is going to be anything.

DR. BAIRD: I think we have to get a start though.

DR. JEANNERET: There is a built-in contradiction in getting it started I am afraid but it is a very interesting proposal.

DR. BAIRD: It seems to me that some initiative, some central initiative, has to come before we can do all the massive expansion that is required for any of the Canadian publishers to grow almost instantaneously into the size that becomes profitable. I don't think we can stop halfway in between.

THE CHAIRMAN: But you are quite right, if the Canada Development Corporation does get off the ground and off the paper it may well be the weapon with which this can be done because it purportedly is going to be Canada's mass gatherer of capital in large pool form from the Canadian sector which is then going to be designed to be able to compete, not only for our own resources which we should explore for ourselves in Canada in competition against world presence but as well it might be the kind of situation which can provide the necessary large profitable pool to undertake an operation of this kind and yet not be government.

DR. BAIRD: I would certainly resist any government printing press kind of

operation, of course.

DR. JEANNERET: I heartily agree that if you can reach the scale that you propose of operation with the terms of reference that you have described, that this could work.

DR. BAIRD: Let us hope so. Well, it does undoubtedly work in other areas so there is no reason why we should not be able to participate if we can just overcome this first financial barrier.

THE CHAIRMAN: Dr. Baird, we have had a most interesting discussion with you. Your ideas are most provocative obviously and we have found the brief very good indeed.

You are a colleague of a cousin of mine, Colonel White.

DR. BAIRD: Oh, Bud, an old friend of mine.

THE CHAIRMAN: So we share all sorts of things together.

DR. BAIRD: Thank you very much.

---Luncheon adjournment.

--- The hearing resumed at 2.00 p.m.

THE CHAIRMAN: I am sorry for the delay. It is a personal matter and it has now been partly rectified so I do apologize but if you will just give us a moment, please.

The next brief is from Compkey Limited. We have with us Mr. David Brown, the President and Mr. E. Ray Ryan, the Director. Mr. Ryan is with the Alphatext Systems.

We have had a chance, I think, to look at your brief but if you would touch on the high points then we will catch up with you on the way through.

SUBMISSION OF COMPKEY LIMITED

MR. BROWN: Thank you. Compkey Limited is in the business of trade typesetting with a difference. Instead of using typical keyboard such as the 90 key linotype keyboard or the 288 monotype keyboard we use a standard IBM selectric typewriter which is on line ten hours a day with an IBM computer, Alphatext Systems Limited. Instead of pulling galley proofs for proofreading we correct the contents from a computer high-speed print-out. Instead of type-setting commands being the responsibility of the keyboarder we simply specify the final format once at the beginning of the document and insert various simple delimiters in the text.

If we have corrections or even

updates a year from now, we simply key the changed information on our typewriter and corrections and reformatting is handled automatically by the computer. We can store the equivalent of 50 tons of standing type on one computer magnetic tape.

After we have satisfied ourselves that the content is correct and after we have obtained a sample of the final format, the documents are displayed on a Cathode Ray Tube Phototypesetter at Alphatext at a rate of 200 to 500 complete pages per hour. The end result is either positive paper or film ready for the preparation of printing plates. Incidentally, we are now also testing direct display onto paper plates. There is nothing unique about these production techniques; each is individually in use in the States today.

The difference? First, this is the first instance we are aware of where one system of on-line keyboards through to an on-line computer photo-typesetter has been integrated into a system which can be used to typeset books and periodicals of all kinds, as well as the director-like jobs that have typically been handled by computers. Second, we have proven that the combined production techniques are economically viable.

We now have 6 typewriter keyboards, which are equivalent to 15 linotypes, 8 employees and annualized sales of $200,000. We expect our

sales to be $400,000 to $500,000 next year. Our investment was very small because we purchase services and apply them, rather than buying capital equipment. Our costs, thus, are variable.

Before we define our needs, I believe it is important that the Commission recognize that the proportion of typesetting in publishing in Canada, is perhaps five times that which it is in the U.S. This means that the effect of our type of service on the improvement of productivity of publishing in Canada could be quite significant.

DR. JEANNERET: Would you explain what you mean by that?

MR. BROWN: Right. Because of the size of runs that go on in the United States compared with what we are doing in Canada, the preparation costs for producing a book are therefore higher proportionately and typesetting is a major part of that preparation cost.

We wish to present today, recommendations on the form of support that would be most useful to us at this stage of our growth.

1. Our training costs to improve the technical proficiency of our personnel are a burden. The cost of traning typists and secretaries on the use of the system should be subsidized by the government. In addition, the government could give course of study and training in existing educational institutions.

2. We have found it to be extremely difficult to raise capital for the expansion of our Company. We believe the primary reason to be that we are a technological-based innovative company. Until such time as this is considered to be an advantage and not a disadvantage, government shuld provide working capital in the form of investment in partnership with private venture capital.

3. Our services are exportable but the cost of starting-up in the U.S. market is prohibitive. The government should make available low cost export development funds.

Thank you very much.

MR. CAMP: What would you say, generally speaking, the effect of this would be on the publishing industry?

MR. BROWN: We feel in the long-term -- not too long-term -- that we can effect substantial cost savings in the area of typesetting.

MR. CAMP: This would be in the nature, I think you said, in the difference between the machines -- so many typesetters versus so many people involved here, where the ratio is almost three to one, was it?

MR. BROWN: Yes, two and one-half to one. I think that there are two areas where we can be of help. One is in speed of turning around copy and the second is in cost. At the moment our costs are not that much less than the

traditional typesetting because it is a new technology.

MR. CAMP: Are you now servicing clients?

MR. BROWN: Yes, we are.

MR. CAMP: What sort of clients generally speaking?

MR. BROWN: We are doing work for Canadian Associations, Federal Government -- printers mostly.

MR. CAMP: Do you do work for the Queen's Printer?

MR. BROWN: In Toronto?

MR. CAMP: Here.

MR. BROWN: Yes, we do.

MR. CAMP: Federal, provincial -- anybody?

MR. BROWN: Yes.

MR. CAMP: The people that you train and who handle this operation, are they union personnel or what is their status?

MR. BROWN: We are non-union at the moment.

MR. CAMP: At the moment?

MR. BROWN: We hope gladly we will stay that way.

MR. CAMP: What would be their incomes as compared to a typesetter, let us say? Do you know?

MR. RYAN: I am not sure what

the typesetter earns right now but the girls earn approximately $400 a month. They are secretary-stenographer types.

MR. CAMP: Less than $100 a week?

MR. RYAN: Yes.

DR. JEANNERET: Essentially half of the IT rating?

MR. BROWN: Yes.

DR. JEANNERET: This does tend to be an apples and oranges comparison, doesn't it, in that sense?

MR. RYAN: I would think so.

DR. JEANNERET: As pointed out non-union rates are half the unionized rates.

MR. CAMP: Even so, I would gather your argument would be -- one of your arguments would be, or your answer would be that it takes one and a half times fewer people to produce the same amount of type.

MR. BROWN: Yes.

MR. CAMP: As you would do in a conventional typesetting machine. I just wanted you to clear up a statement you made that I was not clear about. That is, your recommendation, your first recommendation "The government should give a course of study in training in existing educational institutions". Do you mean to say, for example, in technical and vocational schools, the government should have a course to train these people who would operate this kind of equipment, is that what you are saying?

MR. BROWN: Yes.

MR. CAMP: I just wanted to know. I wasn't sure what you meant.

MR. BROWN: We are marrying two industries here: we are marrying the traditional typesetting industry with the data processing industry.

MR. CAMP: Most of your personnel would be female who would operate this equipment?

MR. BROWN: Yes.

MR. CAMP: Is there any reason for this? Is it the scale of pay?

MR. BROWN: They are better typists than men.

MR. CAMP: It is a typing operation?

MR. BROWN: The input of information is a straight typing operation.

MR. CAMP: In recommendation 2 you say:

"Until such time as this is considered to be an advantage and not a disadvantage, . . ."

just explain what you mean by that because I didn't follow that. Considered by whom to be an advantage? On the last page of your brief, recommendation 2, the second sentence. You say it is difficult to raise capital because you are a technologically-based innovative company. How is that a disadvantage?

MR. BROWN: It is in raising money.

MR. RYAN: Right now they are not buying concepts in the investment market or innovations. They want proven products right today that they are used to dealing with.

MR. CAMP: It is difficult to get venture capital even with the obvious technological advantages that you have?

MR. RYAN: Yes.

MR. CAMP: Is this a limited company?

MR. BROWN: Yes, it is.

MR. CAMP: In the province of Ontario?

MR. BROWN: It is a federal charter.

MR. CAMP: Is it a Canadian-owned operation?

MR. BROWN: Entirely Canadian, yes.

MR. RYAN: It is 50 per cent by Alphatext and 50 per cent held by Mr. Brown here and your associates.

MR. BROWN: Right.

MR. CAMP: Are there not advantageous government loans for exports, low-cost export development loans now?

MR. RYAN: I believe they are only available in the capital goods area, rather than services.

MR. CAMP: That is all I have, Mr. Chairman. The typewriter you get from IBM, just as a matter of personal interest, do you rent those or are you allowed to buy them?

MR. BROWN: They are rental.

MR. RYAN: You can buy them, but in this industry you tend to rent equipment because of changes that are occuring in equipment.

MR. CAMP: Thank you.

DR. JEANNERET: Is it fair to say that the most efficient application of Selectric composition of the kind you are using,

would be where you are going to manipulate the material and revise it in the future and reset it with revisions and so on, for instance, directory material published annually? This is where the pay-off comes, does it not?

MR.BROWN: That is right.

DR. JEANNERET: On straight matter, current material, you might find it a little more difficult to be fully competitive?

MR. BROWN: It depends entirely on the type of work at the moment. For a straight report type of typesetting job, we are more than competitive.

DR. JEANNERET: Compared with what?

MR. BROWN: Hot metal.

DR.JEANNERET: Typeset by union compositors?

MR. BROWN: Not necessarily. The going rate for a page of 6 by 9 type from a trade typesetter, I would venture to say is $18 to $25.

MR. CAMP: Did you do your brief on that equipment?

MR. BROWN: No.

DR. JEANNERET: What did you say about the rate?

MR. BROWN: I would say from a traditional trade typesetter a page 6 by 9 publication of good typography would be $18 to $25 a page.

MR. CAMP: Is that the same variety of type?

MR. BROWN: Yes. We have 27 type faces running from 6.8 to 18.

DR. JEANNERET: We are comparing -- I don't say this to discredit anything you are saying --- apples and oranges in many ways. You are talking about monotype and you don't pretend for a moment you can handle formula composition equivalent to what monotype would do?

MR. BROWN: No.

DR. JEANNERET: That is very important, Mr. Camp. He can't handle monotype composition for formula matter.

MR. BROWN: Let me say that we can in tabular work but not scientific chemical formulae.

DR. JEANNERET: Why would you go on monotype, a straight matter anyway, you would go linotype. You mean linotype would be $25 a page? It must be a pretty complicated page.

MR. BROWN: That is the going rate ---

DR. JEANNERET: I would like to know where to get it.

MR. BROWN: Try Ontario Typesetting, Maclean Brothers or Cooper and Beatty.

DR. JEANNERET: You are comparing a technique which involves paying trained girls who are not union members, a high secretarial rate to do work that competes with what union help

would do on hot metal.

MR. BROWN: We have a cost factor that does not enter into hot metal and that is encoding of the manuscript so the computer program can read and do what it is supposed to do.

DR. JEANNERET: Is it natural for any given rate -- as I say, I am not discrediting your point at all, but for any given piece of work of book length, shall we say, some person is going to type the same number of characters, whether they do it by your system or do it by hot metal. So it is a question of what you pay plus a differential in the capital investment in the machine.

MR. BROWN: That is right.

THE CHAIRMAN: Does it not also have to do with storage, because once you type, once you put yours on tape, as I understand it, and the other goes into hot metal, so if it is stored for a reprint, you have that kind of factor again involved, do you not?

MR. BROWN: Yes.

DR. JEANNERET: If you do it on monotype, you do it on tape. I have no other questions beyond discussing the importance of making a comparison on a clearly comparable basis and it has been my experience that with your technologies of various kinds that begin in an open area of competition without any union control and look very advantageous largely because of the

fact that you are having a free auction of labour. Again, I say there is a very definite place for your contribution. There is no doubt about this, but there is a temptation to compare this technology with a long-established technology which has either become unionized or is more or less paying union wages. This comparing is not necessarily valid and your costs are bound to rise over a period of time. You are asking for subsidization of training time for a technology which is directly in competition with what is normally a unionized technology.

MR. RYAN: One is done in an office and one is done in a shop.

DR. JEANNERET: Again, this is simply -- there is no real difference from a production or commercial standpoint.

MR. RYAN: From the type of people required, there is a difference.

DR. JEANNERET: Your technology is being offered, or is beginning to be offered by the unions now and then the comparison becomes purely one of wage rates and productivity.

MR. BROWN: The point I would like to make is that this new technology is here today and it is going to improve. I venture to say within five to ten years it will replace the hot metal application in the publishing industry.

DR. JEANNERET: In many areas. You are still not prepared to set complicated matter.

MR. BROWN: We do it every day.

DR. JEANNERET: I use chemical and medical formula matters. You are not prepared to do that. We are heading in this general direction, not necessarily with Selectric, but some form of computerized composition.

MR. BROWN: Another point I would like to make, I feel you probably don't understand clearly, is that the use of Selectric keyboards has nothing to do with the end result. This is part of the program called A.T.S., which is the inputting end of the production cycle. There are many other keyboards used in photo typesetting. We happen to use the Selectric method.

DR. JEANNERET: You have alternative technology such as including on magnetic tape and sending it over to a video-comp and having it come out in computerized typesetting.

MR. BROWN: That is precisely what we do. We use Selectric typewriters to generate magnetic tape which is put through a cathode ray tube photosetter called an APS3 which is comparable to a video-comp.

DR. JEANNERET: Surely. My point is that you are comparing present costs with what will, in due course, become unionized costs or the equivalent of unionized costs in all likelihood. This has been the whole picture of the revolution of the various technology.

MR. BROWN: I agree.

DR. JEANNERET: There is no reason to assume it won't be.

MR. BROWN: I agree.

DR. JEANNERET: So it will go up considerably in costs. Perhaps, quite properly, in the meantime you are asking for subsidization of training for this technology, whereas it also can be obtained if a printing company wanted to introduce your system, they could go to the union and say "We wish to have operators to handle this". They would have to pay more and they would have a little more difficulty getting them, but in due course they would supply them through the union.

MR. BROWN: Yes.

DR. JEANNERET: As I see it. I am open to correction.

MR. BROWN: Well, because it is a new technology and because of the lack of general knowledge about it, I would wonder where the unions are going to train their people. I think it takes companies like ours to take this new technology and turn it around as quickly and as well as we can, but we do have to train our own people. The machines work beautifully. The people don't work that well because it takes them a long time to learn.

DR. JEANNERET: You don't have to go to some of the problems of corrections. There are problems involved in correction and handling in the course of production and so on.

I have no further questions.

THE CHAIRMAN: In terms of new technology, gentlemen, I will speak firstly only in relation to the questions I want to ask. I am one of those who believes new technology is something to be encouraged in today's society, particularly in Canada, because whatever we can do to keep up with new technology and stay in the vanguard, or at least the near vanguard, we should do. Canyou tell me, please, as a layman -- I am the layman -- what it is that you think your new technology can do in terms of economies in relation to reprints, for example?

MR. BROWN: Well, an example that comes to mind is that if a publisher is putting out a hardcovered edition of a textbook or a novel, that in the future will be transformed into a paperback, the keyboarding has to be done once only, because the information can be reformatted and run through the photosetter again in a different format, different typeface, to accommodate whatever design or page layout is required. That is one area of saving.

THE CHAIRMAN: I understand it can be done with another type of monotyping, I am informed, is that right? -- in lead?

DR. JEANNERET: If you wanted to you certainly could but normally you would photograph it?

MR. BROWN: Or reduce it. I am thinking if you came out with a textbook -- what is the normal size of a textbook?

DR. JEANNERET: Six by nine.

MR. BROWN: You could change it from a two-column to a one-column format which would mean reprinting in any other form.

THE CHAIRMAN: How does this bear with the question of the initial run that is made? Can you not govern your initial run or keep your initial run down of a book to match the market and take some of the gamble out of how many you have to run?

MR. BROWN: I am sorry sir, I don't follow you.

THE CHAIRMAN: I am sorry, I will try again. In the normal course, not with your particular kind of production, one of the concerns as I understand it, for the publisher is as to how many volumes he should run on his first run. So what he does is he estimates a calculated risk as to how many he might run -- 5,000 or 10,000. If his thing goes then No. 1 is consumed and you start then to talk about a reprint

but it is usually the first run that is critical because you put your costs into that and you may sit with 7,000 or 8,000 volumes of nothing which has no value inventorywise in the end result. Does your system in any way meet that difficulty in determining how many can be run economically and can you call back a reprint effectively and at a low cost?

MR. BROWN: Well, the only effect that we would have on that situation is the fact that we can set the type at less cost in the original run. That would be the only major effect that we could show on that circulation, I think.

DR. JEANNERET: But any office could set straight matter if they had the competent girl trained on this electronic in a form that would be satisfactory for photography, for reproduction by offset. So, again, we are comparing good secretarial types with trained union operator types in order to claim the advantage that you are claiming which is a cost advantage?

MR. BROWN: Yes. The fact is, as you pointed out, our wages are less than a union shop's would be.

DR. JEANNERET: Very, very much less.

THE CHAIRMAN: Hang on a second, I don't think that we should impute that the conducting of costs down is in any way bad. We are not here to adjudicate a competitive situation

between unions and non-unions but please answer in relation to the question.

MR. BROWN: Well, I really don't know how to answer that question other than to say that we feel we can speed up the production cycle of turning copy around into graphically correct type faster than any other method now available.

THE CHAIRMAN: I understand that your operation is here in Ottawa, is this correct?

MR. BROWN: Yes, it is.

THE CHAIRMAN: Is there some opportunity of viewing what you are doing?

MR. BROWN: By all means, we would be glad if you could find time to do that.

THE CHAIRMAN: Either some time during this sitting or some time latterly.

MR. BROWN: I think Alphatext Systems have extended an invitation to you to view their facilities and ours is the same as theirs, in other words, we are the in-put arm of Alphatext Systems.

THE CHAIRMAN: Gentlemen, we appreciate your coming very much indeed. Thank you very much.

SUBMISSION OF MRS. BETTYE HYDE

THE CHAIRMAN: Now, we have with us Mrs. Bettye Hyde, Course Coordinator, Early Childhood Education, Department of Family Studies, Algonquin College. Mrs. Hyde, you have presented us with a most interesting brief. Will you speak to your brief please and then we will discuss it with you?

MR. HYDE: Would you like me to summarize it a little?

THE CHAIRMAN: Yes.

MRS. HYDE: I didn't say in the brief that one of the moments that caused me to send you that modest proposal was from my reading of Mr. Camp's last book. I felt that it struck a familiar note on one page when he said that in his youth he felt that the place to really make it and do important things was in New York and I remember that clearly myself.

I remember my husband, who is an artist and writer, having exactly the same feeling, that New York was the place to go if you hoped to make a mark in the world. Since I have been teaching at Algonquin College where I am dealing with young students who wish to become teachers of pre-school children I think I have now seen the process by which this happens. It has occurred to me over many years and I have now checked this with four or five pre-school centres that the books read by children from the

time they hear their first bedtime story very often in homes of a book by Harper & Rowe called Good Night Moon, and from there, from that bedtime story right through the pre-school years and through the college years our children are submerged in the myth, the folklore and the values of another country. I don't think that any country other than Canada allows this to happen and it is then no surprise that Canadian adults don't read so many Canadian books as they might and Canadians look elsewhere for the success story of their career.

I have been particularly struck with it at the college because I spend a lot of my time reading papers produced by the students and without any consciousness that this is a limitation on their work their sources are almost completely from the United States and this again reflects what one finds in the library of our college which, as a matter of fact, is rather better supplied with Canadian sources than others.

It struck me that in some cases the students sought out American sources when Canadian sources were available and I think this is part of the orientation that they derive from being submerged in the literature of the United States from early childhood and that orientation is, of course, reinforced by the hours they spend watching television which, you know, as we all know, is itself very much oriented

towards American material.

I mention as one example the program which has become a household word in Canada, Sesame Street and I would like to make a comment that Sesame Street is not Sparks Street, Yonge Street, Portage Avenue or any other Canadian street and although that is a figure of speech it indicates that the television that the children watch and the print that they read or have read to them have produced the situation that I am finding with our young.

That really impelled me to send you this brief as the evidence began to pile up that this was happening more and more.

THE CHAIRMAN: The evidence is very impressive.

MR. CAMP: I was so struck by your Exhibit A that I found it difficult to believe. This is, as you know, what I am going to do next Saturday.

MRS. HYDE: Yes.

MR. CAMP: It is the story of the young lad who goes out to play and ends up by shooting guns with the marines.

MRS. HYDE: The United States marines.

THE CHAIRMAN: We don't have any in Canada of any kind.

MR. CAMP: And it is published by Random House but it appears to be the property

of the Canadian Broadcasting Corporation.

MRS. HYDE: They loaned it to me. However, I have seen it elsewhere.

MR. CAMP: You have?

MRS. HYDE: Oh, yes, that just means they had it in their studio. I believe they subscribe to this series and I believe this book is one of a series that a book club for children uses and as far as I know these books are sent out to children without prior selection with the result that this boy's fantasy, which included spending the day eating very largely and ended up with his glorious dream of playing with the United States marines and shooting every gun in their weaponry and really admiring his shooting, has no doubt roared off into Canada to further affect our children.

DR. JEANNERET: Why don't we have equivalent material here?

MR. CAMP: We have the guns but we don't have the marines.

DR. JEANNERET: We don't have the books, why don't we?

MRS. HYDE: To the best of my knowledge -- now my husband writes books for middle aged children, that is, 10, 12, 14 year old children, and they are published in the United States first by Harper's and presently by Houghton-Mifflin. He has to publish there because the American publishers who developed a serious approach

to children's books, no doubt recognizing that children's books are important as a pre-courser to turning out a literary population and they have also developed, what seems to me we would like very much in Canada, highly skilled and really renowned children's book editors.

DR. JEANNERET: They have something else you don't mention, that is market.

MRS. HYDE: Indeed they have a market. I realize that we don't have a market. I wish, however, that our smaller market were served by books of comparable quality. I know for instance that I believe it was Gage Educational Publishing said to you that we should have awards for children's books in Canada. As it happens we do have awards in Canada but no one ever hears about them, but there are children's book awards in Canada.

I think they also said there should be schools for children's writers. Frankly, everyone I know wants to write a book for children. Our writers need to be published, they don't need a school at this moment.

DR. JEANNERET: I think we can all agree that we would like to see Canadian equivalents and you acknowledge some of the reasons why we don't have them. Have you any suggestions as to how, if it could be made possible for us to have them, this is our dilemma?

MRS. HYDE: The ways and means are

not my area of competence. It has occurred to me over the years, however, that some of our problem is really the result of attitude. There is not very much interest in children's book publishing in Canada insofar as there is a market it is badly served.

THE CHAIRMAN: We have got one fundamental problem that we have heard about so many times and this may either hinder or help the answer that you are giving but I would like to ask you to expand upon it. We seem to be in the presence of the United States market which is United States and Canada for American publishers or the authors or publishers of American children's books but in Canada we only have one market which means if you are a Canadian author you only have the Canadian market.

MRS. HYDE: Is this, in fact, true? Is it impossible for Canadian books to penetrate the American market?

THE CHAIRMAN: We would like to ask you that question.

MRS. HYDE: I don't have enough expertise to answer the question. I suspect it is the lack of nerve on the part of our publishers and, to some extent, on the part of our writers.

I know that my husband, for example, was advised by his colleagues to get American publication.

THE CHAIRMAN: Are you aware that most of our book publishers in Canada are foreign-controlled now?

MRS. HYDE: Oh, indeed.

THE CHAIRMAN: So you say they have not got the nerve that is required to take ---

MRS. HYDE: The ones that are foreign-controlled, I don't think have the interest and the ones that are Canadian-controlled don't have the nerve.

DR. JEANNERET: Isn't it fair to say, though, that there is a Canadian market for the American-produced material by reason of the fact that there is no Canadian-produced material? Having agreed on that -- I think we did already -- it does not follow that there is an American market for possibly Canadian-produced material because there is American-produced material. It is as simple as that. I am not saying this in defence of anything. This is a finding of fact and it is a finding of fact with which we agree. We are looking for a solution.

MRS. HYDE: I am not sure that is true. I think in some cases we do clearly have writers who, when they approach American publishers get published in the United States.

DR. JEANNERET: Not about Canadian

topics, they don't. You are not suggesting they do?

MRS. HYDE: Not about Canadian topics, but not excluding ---

DR. JEANNERET: We are talking about American topics here and we have to be parallel.

MRS. HYDE: When you are talking about children's books there is a whole area which is neither American nor Canadian. It is an area which Canadians are fully capable of exploiting.

DR. JEANNERET: We will accept those books in Canada even if they are published in the States. We are objecting to American content.

MRS. HYDE: Right. I am not sure what the answer is. In terms of our college students, another point I wish to make to you is that, whereas Canadian publishers publish too little, certainly to serve the needs of the program I teach in, American publishers are now publishing far too much, with the result that they are really flooding us with inferior material. This inferior material is making it very difficult for Canadian material to get published. I received a book just yesterday from one of the -- free books from publishers and this book was right in the area that we are interested in. It was called "Tactics in Teaching Disadvantaged Children". Disadvantaged children are poor children, as I hope you have discovered. It is a euphemism and in the book

what was on the subject which is important to us I discovered there are two editors in this book and, although the professor of psychology who wrote the book is not illiterate, neither was he a master of elegant language, with the result that on page 2 and again on page 4, you find him searching around for a synonym for "disadvantaged" and he uses the word"povertous" which in the two-volume Oxford does not appear. It is not in the Oxford dictionary. This is a badly written book meant to fill a need and this represents a lot of what happens with American publishing. If a thing becomes popular, you have 50 books where you only need 5 good ones.

DR. JEANNERET: The word "disadvantaged" is an euphemism normally in the American sense for either black or Puerto Rican

MRS. HYDE: The word"povertous" doesn't seem to mean very much. Perhaps he was searching for the word "poverty-stricken" and was repelled by it. This is a problem to find good Canadian material. It is like looking for a needle in a haystack. We can't find it and, as I said in my brief, when I did find a book published by the Ontario Institute for Studies in Education, as far as I could discover, every single contributor to the book was an American.

MR. CAMP: Are you a teacher?

MRS. HYDE: I am a teacher of college

students.

MR. CAMP: You say the whole content of this OISE publication is American-authored?

MRS. HYDE: As far as I could see all the contributors were American.

THE CHAIRMAN: And all the references?

MRS. HYDE: And all the references.

MR. CAMP: I was wondering again, to see why -- who was left out that would be a Canadian authority in regard to a publication like this?

MRS. HYDE: That is right. It is easy to see why and it is related to our other problem which we have, and that is that American teachers at Canadian institutions tend to invite their friends from American institutions to conferences in Canada. How it was that the Institute of Child Study in Toronto was squeezed out of that very conference, I don't know but, in effect, we have there an American textbook ---

DR. JEANNERET: Taking your example of problems of teaching young children, it just begs the question because your findings of fact are perfectly sound: Was there a parallel set of studies by Canadian child development psychologists undertaken, or was there available at the time this book was published by the Ontario Institute for Studies in Education, anything that even resembles a manuscript available?

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If not, why not?

MRS. HYDE: To the best of my knowledge at least two Canadians working in Canada in the very field we are talking about one is at Carleton University, Mr. Tom Ryan, who had written a paper for the Vanier Institute of the Family, before that book was published. Another one is Dr. Barbara Clarke who is working at Dalhousie with black and disadvantaged children in Nova Scotia. Neither of those people -- I have no idea why this was so. Neither of them apparently was invited to the conference in question and neither one has appeared in that publication.

DR. JEANNERET: I am not pleading for complacency about this matter at all, but I am wondering if we are talking about a publishing deficit or an authorship and research deficit in this country? I seriously suggest it could be the latter as much as the former. If the material existed and if the market was sufficient to sustain publication, I submit that the Canadian preference would take over.

MRS. HYDE: I am certain that that is part of the answer. I don't think it is the whole answer. It seems to me that publishers in Canada who wanted to find Canadian authorities at least equivalent to the ones represented in that book, could find them. I could give them a few leads in case they are interested.

THE CHAIRMAN: Mr. Camp points out to me that in the OISE book, Ontario Institute for Studies in Education, which you draw to our attention, the contributors' page, which is on page 126 and 127, does in fact indicate all those who are contributors, and they are all from American universities. In particular the volume is edited by Andrew J. Biemiller, who is pronounced in the form of a contributor, as being Assistant Professor of Child Study, Institute of Child Study, University of Toronto, 1965-68 Research Project, Literacy in University. I don't know exactly what that mean, but in any event, as you put it, this is really a publication offered by people from the United States.

MRS. HYDE: And I think I was particularly struck by the fact that only one contributor at least had the grace to mention she was not familiar with the Canadian scene. What I am concerned about is that the students at Algonquin College are going to be teaching pre-school children and they are going out of the college absolutely submerged with the professional thought of another country.

THE CHAIRMAN: I wonder about the people who are emerging from the Ontario Institute for Studies in Education in the same context?

MRS. HYDE: Quite. I have enough to be worrying about our college at the moment, but I quite agree with you.

DR. JEANNERET: I don't think we should be complacent, but the hope for the future is that where the staffs do have a high percentage of foreign nationals serving them, they are training graduate students who, in the future, will be those faculties and they will be Canadian and they will use and select and choose, in a creative, original way, Canadian examples. This is our hope for the future.

MRS. HYDE: I think it is, although I think we have been waiting quite a long time. It is not happening too quickly, I agree.

DR. JEANNERET: The problem has been precipitated in the last ten years, as we all know, by the mushrooming.

MR. CAMP: In order to find out your opinion -- I am uncertain myself and without any wish to be personal -- your husband is a Canadian?

MRS. HYDE: He was born in England but he is a Canadian.

MR. CAMP: He writes books for children successfully in the United States?

MRS. HYDE: Right.

MR. CAMP: What, then, is wrong with Americans writing books successfully for Canadian children?

MRS. HYDE: I don't think there is a thing wrong from their point of view. I think they are doing their thing and, you know, that is

the business they are in. I think it is the exclusivity of it that bothers me, you know. I would be very upset if our children were deprived of some of the classics of children's literature that havebeen published in the United States, just as I would not want them to be without Beatrix Potter from England. I am only concerned about the exclusivity of having almost all, or more than 90 per cent of the children's books that our children read from one country.

MR. CAMP: So it really comes down to the lack of Canadian content?

MRS. HYDE: And the lack of variety. It would be important for instance, for us to see more European books for children, rather than all from one country. That is my concern.

MR. CAMP: You could make an argument it is to the advantage of a child to learn at a very early age as much as he can about the United States.

MRS. HYDE: It is indeed.

MR. CAMP: It might be in the national interest.

MRS. HYDE: Whether it is in the national interest or not, he does do that. He does, for instance, understand. When he gets hit with Champlain at Grade V, it is already too late. He already feels George Washington is the hero.

MR. CAMP: You were kind enough to

mention my book, or a reference to it, and I want to point out for the sake of the record, as we say, that I was educated, as a child, in the United States. Perhaps this is why I thought New York was the mecca.

MRS. HYDE: I wasn't. I was educated in Toronto and I still have the same feeling.

MR. CAMP: Really?

THE CHAIRMAN: Had you been educated party in the United States as well, may I ask you one final question? This might open either a new or -- and I am not sure -- practical line of questioning. We have heard a great deal in this Commission about the absolute need for the free flow of books and the information between countries. I am wondering if the free flow we have heard so much about which is enshrined in the several degrees that relate to (a) adults and (b) the useful term you gave us, middle-age children. (I didn't know whether you were referring to us on the Commission or not) and perhaps (c) young children, whether there ought to be sort of a gradation in this free flow of information? Are we right in assuming that there ought to be a free flow of information which justifies all the inpouring from the United States, the U.K. and elsewhere in the world, on top of Canada, in all of these age groups, or whether there ought to be some gradation or differential?

MRS. HYDE: I have long taken for granted the free flow of information was properly enshrined in our customs. I am beginning to have serious doubts. I think now the free flow is all one way. The free flow, as far as children are concerned, is all in the direction of from the south to the north and I would be prepared to accept some gradation.

THE CHAIRMAN: We thank you very, very much. It was a most interesting brief and we appreciate it.

MR. CAMP: Do you want your exhibits back?

MRS. HYDE: I would love to have them.

THE CHAIRMAN: We are going to take a break.

---Recess

THE CHAIRMAN: Before we commence, I have already spoken with Dr. Blackburn and Mr. Esplin and we would like to make a statement for our record which relates to our second interim report which is filed with the Lieutenant-Governor in Council for Ontario, the letter was on June 8 and the report was tabled in the Legislature this afternoon at or about three o'clock and in addition to that legislation giving effect to the general purport of our report was also introduced and given First Reading at least -- I don't know whether there has been a Second reading or not.

We have a copy of the legislation which was just delivered to us about ten minutes ago. We had hoped that we would have copies of it Xeroxed now but the Ottawa machine has broken down and we have to send out to have copies made of it. In any event, we have not read the legislation ourselves but for the record this is our interim report. We will have a copy for the reporters. This is the second interim report of the Royal Commission on Book Publishing.

" This Interim Report recommends, among other things, restrictions on the sale to non-residents of Canada of firms or corporations whose principal business in Ontario is the distribution or wholesaling of periodical publications. It is commonly associated with operations

of this kind. It is obvious that periodical publications include magazines and may include newspapers.

Although book publishing has been the central concern of the Commission up to this time, it has been apparent since early in our inquiry that the writing, publication, and distribution of books must be considered in relation to the same activities with regard to other kinds of printed matter. It has been helpful therefore that our terms of reference have not restricted our investigation to book publishing only, but have required us, among other things, to '... conduct an examination of and report upon:

(a) the publishing industry in Ontario and throughout Canada with respect to its position within the business community;...

(c) the economic, cultural, social or other consequences for the people of Ontario and of Canada of the substantial ownership or control of publishing firms by foreign or foreign-owned or foreign-controlled corporations or by

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'non-Canadians.'

As to the specific question of distribution of published printed matter, we have noted that those editions of books that are popularly known as 'mass market paperbacks' normally reach Canadian customers from their original publishers through the identical supply channels used for most periodicals, including magazines and similar publications. It is not surprising that mass market paperbacks moving in this way tend in their selection to be no more representative of original Canadian authorship and publishing than are the magazines and other periodicals with which they travel. Indeed, the Canadian aspects of book publishing would appear to be poorly served by the news distribution channels just referred to.

Our preliminary investigation of this subject indicates that developments are taking place with respect to the ownership and control of the above channels of supply which fully warrant our submitting this second Interim Report to Your Honour. And for reasons which are referred to

" below, we attach considerable urgency to the recommendations it embodies.

The service of distributing periodical literature to consumer outlets in this Province is furnished almost exclusively by regional wholesalers, or news companies, each normally operating within a clearly defined geographical area. The retail outlets within each area are heavily dependent upon the regional news companies that supply their stock-in-trade, and in general they do not have access to alternative channels of supply. To the extent that they sell mass market paper-backs in addition to periodicals, they usually secure these books from the same sources. Even the selection of titles and authors to be displayed for sale is normally made by the news company as part of its service; moreover, the selection of titles which the latter may have to draw upon may be determined at an earlier stage in the distribution network, and determined not necessarily even in Canada.

It is obvious not only that the regional news companies thus exercise

1 " a substantial control over what
2 publications, of all kinds, are or
3 are not offered for sale by most
4 Ontario retail outlets, but that any
5 degree of common ownership of the
6 news companies themselves could have
7 a profound influence on the selection
8 and sources of reading materials
9 offered to the public in the future
10 through newsstands, cigar stores,
11 supermarkets, and similar retail
12 outlets. A possible exception
13 from such control would be bookstores
14 (i.e. stores the principal business
15 of which is the selling of books),
16 the total number of which is
17 regrettablysmall in any event.
18 Clearly, any trend toward monopoly
19 conditions of ownership or control of
20 the regional news companies would be
21 contrary to the public interest,
22 inviting as it would attempts to
23 influence terms of supply, including
24 conditions of price, discount,
25 source, and conceivably even content.
26 And if such monopoly power should
27 ever come to be vested in non-Canadian
28 hands, the threat to the public
29 interest would clearly be rendered
30 correspondingly more grave.

The Commission has been informed that there is in process of development at this moment just such a threat of monopoly, one which appears to have as its objective unified ownership or control of most of, if not all, the regional news companies in Ontario, and moreover, ownership or control by a foreign interest. Specifically, we have evidence that a concerted effort is under way on the part of one or more non-Canadian individuals or corporations engaged in the wholesaling and distribution of periodicals and mass market paperback books to gain control of the principal distributors or wholesalers of similar merchandise in Ontario and possibly elsewhere in Canada.

If such an effort is successful, any cultural intention this country may have to further the interests of its own authors and of its book and periodical publishing industries will be largely thwarted. At best it will be dependent on such token support as the foreign monopoly interest may give Canadian

" publications from time to time, and on whatever terms it wishes to impose. We speak here not of a situation in which ownership is foreign while management remains fully Canadian and largely independent in matters of day to day policy. Rather we are speaking of a situation in which practical control and management will be exercised by non-resident foreign owners, almost necessarily without knowledge of or regard for Canadian cultural interests. We believe that such a situation should not be permitted to develop.

The matters on which we are now reporting have come to our attention very recently as a result of investigations which we have conducted, and there has not yet been an opportunity to pursue them in special public hearings. However, even though some difficulty may be encountered in bringing about the attendance of all relevant witnesses for the purpose, we do at this time intend to proceed in this way.

Your Commission understands that some Canadian publishers and

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retailers of periodicals may in fact be reluctant to give information to it concerning this growing and powerful intrusion. They fear that the foreign-owned distributors and wholesalers may refuse to carry their publications, or may impose unacceptable terms when they do so. Such decisions would of course be made outside this country. They would affect not only Canadian publishers, but Canadian retailers and their customers as well.

It is the hope of the Commission that retailers, newsstand operators, and all others engaged in the wholesaling, distribution, and retailing of paperback books and periodicals in Canada will feel free to provide and will indeed provide the Commission with information and evidence bearing on the matters raised in this Interim Report. All such communications will be treated in whatever degree of confidence is requested.

Even though special hearings are planned, your Commission is of

" the opinion that reported acquisitions of wholesalers already completed in this Province and reports of other negotiations under way at this moment are sufficient reason for us to recommend to Your Hnnour that precautionary steps in the public interest be taken by your Government at the earliest possible moment. It is our unanimous and firm opinion that further acquisitions by non-Canadians of firms engaged in the wholesaling and distribution of periodicals and mass market paper-back books can only be prevented if action is taken by your Government forthwith to give notice to prospective foreign purchasers that such acquisitions may well be subject to reversal, and indeed that your Government is prepared to enact legislation that would effectively prohibit further take-overs of these important links in the communications industry in Ontario.

The legislation envisaged in our recommendations would be similar in nature to that embodied in the Loan and Trust Corporations Amendment

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Act, 1970. However, as such legislation would in this case be aimed at preventing further reduction in Canadian ownership and control of Ontario wholesalers and distributors of periodical literature (with which distribution mass market paperbacks may be associated), care should be taken not to extend the restrictions to cover other kinds of wholesale publishing organizations. We believe this intention could most easily be realized by having the proposed restrictions apply only to individuals and organizations 'engaged principally in the wholesaling and/or distribution of periodical publications'.

To sum up, your Commission respectfully recommends that your Government forthwith submit to the Legislature of Ontario legislation which will:

(a) using the Loan and Trust Corporations Amendment Act, 1970 as a model, limit the ownership a foreign person or corporation may acquire in any undertaking whose principal business in Ontario is

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"the distribution or wholesaling of periodical publications (we note that the Act referred to prohibits the transfer of shares in a loan or trust corporation to a non-resident where the total foreign ownership would exceed 25 per cent of the capital stock or where any one foreign owner would be registered in respect of more than 10 per cent of the capital stock); and

(b) provide for full disclosure to the Department concerned of all corporate information necessary for the administration of the proposed legislation.

In addition to the above recommendations, your Commission respectfully suggests that this second Interim Report be specially communicated to the Minister of Consumer and Corporate Affairs of the Government of Canada and to the Director of Investigation and Research, Combines Investigation Act, Ottawa in anticipation of their co-operation with the Commission in its investigation of this vital sector of the Canadian publishing industry."

And for the record a Bill entitled, "The Paperback and Periodical Distributors Act, 1971" has been introduced into the Legislature this afternoon by the House Leader who is at the same time Minister of Financial and Commercial Affairs for the Province of Ontario, the Honourable Arthur Wishart, Q.C. The Bill we have before us we have not had a chance to examine at length and undoubtedly it contains provisions which are not contemplated by our report but which are an enlargement of our recommendations. And so, we appreciate the opportunity of taking this time, we are sorry to delay you, but we thought we ought to put on the record this particular Report.

SUBMISSION OF THE UNIVERSITY OF TORONTO LIBRARY

THE CHAIRMAN: Now, we have before us representatives of the University of Toronto Library, Dr. Robert A. Blackburn, who was with us this morning. Dr. Blackburn is Chief Librarian and Mr. David G. Esplin, Associate Librarian, Book Selection and Acquisitions, University of Toronto.

The brief which is an excellent document and we appreciate having it, if you would speak to the high points we would like to discuss it with you.

DR. BLACKBURN: Thank you, Mr. Chairman. Our brief is a very long one. I will

try to keep the summary as short as possible. We speak really to two problems, that of photocopy and of library purchasing as we know them in our own library. We have taken some pains to present the Commission with factual data. We feel that there has been too little perhaps in this particular area available to the Commission and that the scale and the Canadian implications of these things have been badly misjudged by some people who have appeared before you. We hope that the data that we will present will help to set the record straight and the records on which our statements are based would be completely open to the Commission on a confidential basis.

We include also a brief appendix on the question of public lending right. This is not a question which I would have raised as it relates to our library but since your Commission has expressed interest in it I have put down what I knew about it.

Concerning our photocopy we report a two-week sample in which it appears that of all the photocopying we do somewhat less than 2 per cent is derived from Canadian books or about 1 per cent from Canadian books that are less than 10 years old and considering both the amount and the nature of the photocopying we have no reason to think that the photocopying which we do in our library is harmful either to the authors or the publishers concerned.

Mr. Esplin will speak about our purchasing. He developed this part of the brief. He will answer questions concerning it. I will simply summarize by saying that we have presented facts which show that our purchasing of new books from the U.S. and the U.K. amount altogether to about 1.5 per cent of our total library budget or about 6 per cent of our purchasing budget as distinct from the total budget which includes salaries and all other expenses. That is, current U.S.-U.K. books or books from those sources account for about 6 per cent of our purchasing budget but of that material we estimate that not more than half will possibly be available through Canadian sources, that is, about 3 per cent of our purchasing might be through Canadian sources but we also know from experience that a great deal of what is theoretically available through Canadian sources is not, in fact, available either on a time scale or at a price scale that we would find practical and so the amount of buying around which we might be accused of is some part of the 3 per cent of our whole purchasing budget.

These two points are the main thrusts of the information that we have presented. We have a number of recommendations which I presume you have read and we will try to answer questions as well as we can.

THE CHAIRMAN: Mr. Esplin, are you going to treat with your part or do you want

to respond to questioning?

MR. ESPLIN: I would like to just respond to questions. I have nothing to say in summary.

DR.JEANNERET: Well, I want to second what the Chairman said. This is a remarkably thorough brief and very valuable. I spent several hours studying it and looking things up and so on and I would ask you to bear with me while I ask you a corresponding number of questions and I will say once and for all that if they seem to have any kind of particular thrust to them they are not intended to have, I am terribly sympathetic with the problems that the university libraries have particularly encountered both in the field of procuring acquisitions and in the field of photocopying. Nevertheless, I would like to ask one general question, just for personal information.

You say on page 2 that,

" The Toronto library is used not only by students and staff of the university but also for the general public."

Just for my information what are the conditions of access insofar as the general public is concerned? I am not clear on this. I could have asked you this at some other time.

DR. BLACKBURN: Anyone may come into the library and read at any time it is open which

is roughly 95 hours a week. Anyone who is not connected with the university and wishes to borrow may arrange this through paying a deposit and either an extra mural fee or a research fee scaled to the extent of his need as judged by himself. There are two scales of fees.

DR. JEANNEREET: This gives any member of the public, subject to these conditions, almost a graduate student privilege?

DR. BLACKBURN: The research student would have a graduate student privilege, yes.

DR. JEANNERET: This is something he can apply for?

DR. BLACKBURN: He can request it and unless he has offended the university in some way he can count on having this privilege.

DR. JEANNERET: As a matter of interest on page 3, when did ten individual requests for photocopies become one multiple request? Is it practicable to distinguish at all? I presume it is not.

DR. BLACKBURN: I suppose it is not if individuals come over a period of time and request the same thing.

DR. JEANNERET: But even in a queue?

DR. BLACKBURN: This, so far as I know has not happened. In our two-week sample there was one item copied, I think, six times over

a period of two weeks.

DR. JEANNERET: Well, that doesn't count.

DR. BLACKBURN: So far as I know this other thing has not happened.

DR.JEANNERET: It is not a normal problem?

DR. BLACKBURN: It happened one time in connection with the class of law students who wanted a dozen copies and threatened to come and line up and we told them, no dice.

DR. JEANNERET: Do you make the assumption on the same page that every request for a single photocopy is a request for the purpose of research or private study? I am not sure whether or not that is the assumption that is implicit in your conclusion.

DR. BLACKBURN: That is implicit, sir, yes.

DR. JEANNERET: And is a request for one photocopy of each of 40 pages in sequence -- and this is common -- catalogued in your study, the two-week sample, as a request for a single photocopy?

DR. BLACKBURN: One request, yes. We have itemized the requests separately from the number of exposures and the number of exposures is perhaps a little less than the number of pages.

DR. JEANNERET: Here is a point of copyright that I don't intend to pursue very hard

but just as a matter of interest, 2.2 per cent of the copies that are made in your sample -- and that is still a lot of copies -- were made from unpublished Toronto theses. Would those copies have been made under any written permission from the authors concerned?

DR. BLACKBURN: Yes, all of them.

DR. JEANNERET: They would have written permission from the authors concerned?

DR. BLACKBURN: That is right.

DR. JEANNERET: That is interesting because without that permission fair dealing, as you know, is impossible?

DR. BLACKBURN: We refuse to copy unless we have written permission.

DR. JEANNERET: I am interested to hear that because I am afraid that is not the general situation. On page 8 you indicate that in 1970, towards the bottom, you spent for new book dealers and agents $175,243.39. Could you even approximately indicate what proportion of this was spent through so-called exclusive Canadian publisher-agents and what proportion was spent through one or more book jobbers in Canada?

MR. ESPLIN: If you are prepared to accept a ballpark figure, it is about 50/50, half and half.

DR. JEANNERET: About half went through Canadian located jobbers and about half through Canadian agents?

MR. ESPLIN: I am sorry. You are drawing a distinction between jobbers and agents?

DR.JEANNERET: Yes.

MR. ESPLIN: In that case, no. It would be nearer one-third-one-third and one-third of direct buying, of Canadian publications.

DR. JEANNERET: I see. On page 9 -- it depends on the exact meaning of the headings, but it seems to me three areas that you use here in this analysis, something in the order of $370,000 was spent through new book dealers and since these areas are all English-speaking, would it not be fair to assume that most of this amount would have been spent on books which are nominally represented by so-called exclusive agents in Canada, even if they are not represented adequately?

MR. ESPLIN: I don't think that is necessarily a correct assumption because there is a great deal of publishing which is vital for a university library to have, which occurs outside normal trade channels. In dollar terms it amounts to a fairly considerable amount.

Unfortunately, we cannot give you

those figures. It would involve the analysis of thousands upon thousands of invoices.

DR. JEANNERET: I understand. Don't bother about that.

On page 12 -- we touched upon this the other day in the meeting we had with you. The fact that only 41 per cent of the most active American publishers are exclusively represented in Canada, you make that point, drawing your figures from L.M.P., I believe, that should not be read as saying that only 41 per cent of the books published are published by represented publishers, should it? It might read that way a little bit by putting it in this way but I would be inclined to think that the represented publishers, that is the ones who have appointed Canadian agents, might be responsible for 90 per cent of the publishing in that list and if it were not so, then I suggest more would be represented.

MR. ESPLIN: I was trying to anticipate this question ---

DR. JEANNERET: They are represented, I would think, in descending order of activity, is that right?

MR. ESPLIN: Yes. I was trying to get figures on this. Unfortunately, the literary marketplace in only about half the cases does give the number of titles each publisher published in any specific year. My guess

Nethercut & Co. Ltd.
Toronto, Ontario

would be that it is considerably less than 90 per cent.

DR. JEANNERET: It would include U.S. government publishing, though, perhaps, to change that. You have to set that aside as unrepresented.

MR. ESPLIN: That is unrepresented. I am talking about what we would call commercial publishing. As you can see in the list, there is an enormous list of university presses which are unrepresented in this country.

DR. JEANNERET: Those are the ones that do not have a very large output, with the exception of Chicago or something like that. Generally speaking this tends to be true.

MR. ESPLIN: What happens here is whereas we would attempt to buy every title produced by a university press, this is certainly not true of commercial publishers.

DR. JEANNERET: I believe that to be so. I am only concerned about drawing the conclusion that, because 41 per cent only are represented, therefore, 41 per cent of the books are available.

MR. ESPLIN: Where the percentage of books is high.

DR. JEANNERET: In descending order of frequency. In Appendix 7 -- I had better see what Appendix 7 is before I refer to it -- you are talking about your failure rate as a result

of your telephoning -- I think because of your telephone calls. Would you have listed as failures books reported not in stock if they had not been published yet?

MR. ESPLIN: I believe that these figures do not include those.

DR. JEANNERET: The 3155 telephone calls would have a supplementary number of telephone calls regarding books not yet published, then?

MR. ESPLIN: It would depend on the judgment of the reliability of the agents' reports.

DR. JEANNERET: In what circumstances would you have telephoned the agents to establish whether the book was available in stock, just in a general way?

MR. ESPLIN: In a general way if the original publisher's name appeared in the Quill and Quire list as being represented in Canada.

DR. JEANNERET: But you wouldn't count it if the answer was "Not yet published"? You would count it if the answer was "Published, but we don't have it"?

MR. ESPLIN: Yes.

DR. JEANNERET: You are sometimes attributing almost omniscience to these agents for knowing this.

MR. ESPLIN: I think the agents

in some areas show remarkable ignorance, yes.

DR. JEANNERET: At page 13 of the brief itself, I will skip this in the interests of time. I think at the bottom of the page I can say I agree with your point that we should subject the whole argument that profits according to importer-agents do, in fact, result in the publication of Canadian books to urgent, critical and factual analysis. We were on this point this morning. I wonder if it isn't reasonable to suppose, notwithstanding the Economic Council of Canada's Report which didn't consider this point, that in the absence of an import business which would support the whole book promotion and selling machinery which a Canadian publisher requires, Canadian publishing as such cannot go forward. We skirted that this morning. You might like to comment, Mr. Esplin, or Dr. Blackburn. I think Dr. Blackburn spoke on it this morning.

MR. ESPLIN: My comment there would be that this undoubtedly is a powerful basis on which the Canadian industry has been built. I would need to see a great deal of hard evidence to be convinced that this is necessary for the future of the Canadian publishing industry. The developments recently of the founding of many small publishing houses have no agency business.

DR. JEANNERET: Developments, you say? Negative developments is all we heard about.

MR. ESPLIN: The development that

there have been Canadian publishing houses founded and still operating but they do not have any agency business.

DR. JEANNERET: They don't have much business. I am not trying to prove a point but this is one of our great concerns: are they viable?

MR. ESPLIN: I don't know whether they are viable. That is an individual decision. They must have thought they were viable. They are still existing, but how long they will continue to exist, I don't know. To me it shows a new trend in the industry as a whole.

DR. JEANNERET: We are watching that very closely too, but all our financial information leads us to wonder if they could generalize on their success and do twice as well or if they would have to go bankrupt because they would have to employ twice as many people and then would have to pay them. This is the sort of problem we are facing. We don't know the answer.

One final question, then. Your inclusion, Dr. Blackburn's inclusion of a summary of the public lending right provisions of the Scandinavian countries was welcome and interesting, even though it was brief. We are studying it. On page 2 you referred in your brief to a system in Denmark and noted that it imposes a not unsubstantial responsibility on

librarians regarding Danish editions only. I wonder if this restriction might not aggravate the very problem that the system is intended to solve which was to provide, presumably, an incentive to Danish authors, that is to say, it would seem to discourage rather than to encourage the inclusion of Danish authors in all Danish libraries, if only because of the administrative headaches involved. We could be up against the same kind of problem here of a public lending right wherever developed for the works of Canadian authors only, unless it were funded from the outside, based on some sampling system, in which case the librarian would not have to think, "My goodness, that is a Canadian book and I will have a lot of bookkeeping to do". This is a factor, isn't it, in the administrative decision -- the decision to acquire -- it could be a factor in the decision to acquire?

DR. BLACKBURN: I don't think it is a factor in Denmark. I think it could be a very large factor in Canada.

DR. JEANNERET: Do develop this. This is terribly important.

DR. BLACKBURN: In Sweden where there is machinery for establishing the process of distribution, this apparently is handled by a central staff which inspects the loan records of various sample libraries and in the one public library I visited in Sweden in April, the staff was terribly unconcerned about this. Yes, the

inspectors had come once and had looked at the film of the loan records, but that is all it amounted to. There was no local work or worry about it. In Denmark, certainly, there is more bookkeeping to be done by the library. There was a great deal to be done when the plan first was instituted because they had to do a complete inventory in detail. However, since these plans apply only in the public libraries in the Scandinavian countries, they do not involve libraries that have very much foreign literature at all. In Upsala, which is a medium-sized city, the public library had a representation of English, German, French titles, literary and technical and artistic. From a count of the systematic catalogue, I would estimate that this did not amount to more than 10 per cent of the whole library. The reading public depends on books in the native language so that in Danish public libraries, although I did not check this point, I would expect to find mainly Danish editions, Danish-language publications, Danish translations, as the stock in trade of these libraries.

DR. JEANNERET: I think that is a very valuable contribution, your observations, Dr. Blackburn, and as you rightly say, one could undoubtedly create a situation that operated in the disinterests of Canadian publishing or applied only to Canadian publishing. On the other hand, we probably should take a good look at

public lending right principles, however funded, however administered, as one of various alternatives that are open to assisting Canadian publishing and authorship. If we did, would you recommend we look pretty closely at the Scandinavian systems and also the recent British discussions which, I believe, are more open-ended than you suggested?

DR. BLACKBURN: They may be more open-ended. I drew my own conclusion about them. Obviously the Committee has not yet drawn its conclusion.

DR. JEANNERET: Lord Eccles is supposed to have indicated there is a formula he would listen to.

DR. BLACKBURN: His committee has in its terms of reference, not only means but feasibility.

THE CHAIRMAN: The thing Dr. Jeanneret was asking you really is: was it something you think we should look at in the course of our studies?

DR. BLACKBURN: Well, I think you should if you are interested in this you should look closely at Scandinavia and I think you should see what it is they are subsidizing. They have a national fund which in Sweden and Finland so far as I can see rewards those authors which need it least. It does nothing for the publishers.

DR. JEANNERET: We already feel that if we were to consider it, we would have to consider they do nothing for the publishers, as you say, and there would be no purpose.

DR.BLACKBURN: I think the Finnish, the Swedish, the Danish, the British offer nothing to the publishers. The Norwegian offers something to the publishers in the form of a guaranteed market, a minimum number of copies, but again I think this would have to be looked at closely. When I was there I didn't think to inquire about the price controls they have on this arrangement. They do have a royalty control.

DR. JEANNERET: Sweden has thrown out the Net Book Agreement, as you know, the equivalent of a Net Book Agreement, Sweden has.

DR. BLACKBURN: I was just saying that in Norway the so-called public lending right fund does help the author through an enhanced royalty

and it gives the publisher a guaranteed market but there must be some price control; otherwise there could be great abuses of that kind of system.

DR. JEANNERET: Obviously. There are two areas which some form of public lending right might serve to compensate publishers and authors in a rather interesting way if one could divine a method of administering it further on some equitable sampling basis duly checked. One of these is photocopying and one of these is free textbooks, both of which to some degree, which nobody has yet measured and you offer the evidence of one extreme, work against the interests of authors and publishers. This would be a method of providing some degree of compensation perhaps in recognition of this multiple use through single sales. I offer that only as an observation and by no means as a personal commitment. It is something that further justifies when looking at a workable form of public lending right which need not have anything to do with copyright at all, I might point out.

DR. BLACKBURN: Well, so far as trying to find a handle to this assistance through the photocopying I think the incidence of photocopying of Canadian authors would be so scattered and such a very, very small part of the whole photocopying picture that the administration costs would be many times the benefit that could be derived.

DR. JEANNERET: Yes, I noticed that in your one study you pretty well confined it to the University of Toronto Press publications but that was not worrying me.

MR. CAMP: These machines are coin operated, are they, that you are using?

DR. BLACKBURN: The machines in this study are operated by our staff only. We have three coin operated machines which we did not report in this sample because we didn't feel we could staff them all for two weeks.

MR. CAMP: And there is a charge too?

DR. BLACKBURN: There is a charge, yes.

MR. CAMP: Is that a revenue-productive service or is it a loss leader service?

DR. BLACKBURN: It is a subsidized service. The charge of 5 cents a page approximately meets the rental and machine cost. We have also the staff operating cost and the cost of fetching and putting away and so on.

MR. CAMP: You sort of get the gross income from it by multiplying five times half a million -- would that be too simple arithmetic?

DR. BLACKBURN: This year we have taken in something like $50,000. The sample here is a year old. This has not quite met our machine costs.

MR. CAMP: I would think there would not be too many practical difficulties if you had a charge that covered your operation and administration as well as some additional sum which might be available for royalty payments. It is just as easy to charge 12 cents as it is 5 cents.

DR. BLACKBURN: Mr. Chairman, this is a subsidized price for a very firm reason. There are many photocopying machines in offices and departments in the university and around the city of which many professors and students can have practically free use. They will use our service because it is quicker and we prefer to have them use our service because we can protect the material and also we can keep it available. We subsidize the service and some libraries even go so far as to give a free service up to a certain number of copies per individual in the year, in order to protect that material and keep it available.

MR. CAMP: In my own experience there is no such thing as using a photocopier for nothing. Somebody pays for it.

DR. BLACKBURN: Somebody pays.

MR. CAMP: They may be moonlighting on the photocopier.

DR. BLACKBURN: But some teaching departments have a photocopying machine in the office and the professors may use it.

MR. CAMP: Could I ask you about the public lending right? When you talk about the Scandinavian or the Swedish system, is the author treated the same as the translator? Does the translator become the author?

DR. BLACKBURN: It is only in Denmark, so far as I discovered, that there is any kind of reward for being a translator and that was not on a per copy basis but it was referred to as a stipend for translators. I have no details about this. In the other countries so far as I know the translators are not helped in this way.

MR. CAMP: I was just trying to reconcile in my mind the statement that 90 per cent of the books are in Swedish and printed in Sweden but only a small fraction of those would have been authored in Sweden.

DR. BLACKBURN: The great majority.

MR. CAMP: The great majority of the books in the library would be of Swedish authonship?

DR. BLACKBURN: This is my impression.

DR. JEANNERET: It is just that there would be a larger proportion of translation than normal, than in our country, say?

MR. CAMP: I am also trying to work out, what I had in mind was that they have

found a system whereby the author, the national author, the indigenous author, is able to then receive some benefit for the use of his works in the libraries and the argument against it here is, of course, that such a small percentage are Canadian and you have answered the question by saying that in the Swedish experience it is the other way around which I am rather surprised to hear.

DR. BLACKBURN: This is certainly my impression, sir.

MR. CAMP: I have no further questions. I appreciate the detail and the work that has gone into your submission and recognize the value of it. The only question I have is the one you can't answer and that is that when you read this material which is a defence of the charges that have been made about buying around you wonder what all the fuss is about; It has to be that your opposite numbers in the publishing industry really have no clear idea of what it is you are doing and part of that responsibility is theirs, I agree.

DR. BLACKBURN: I would agree, sir. I think they have vastly over-estimated the potential market, the size of the problem and the income they might derive from the prevention of buying around.

MR. CAMP: Might it be different in the case of a library of a different kind than

yours?

DR. BLACKBURN: The smaller university libraries are probably less inclined to deal in be out of print in foreign material than we are although I believe you have received a brief from the Canadian Association of College University Libraries which more or less bears out the pattern of what we are presenting here. So far as public libraries and school libraries are concerned, I really have no information and I think this is one of the difficulties: Libraries don't keep their records in a way that makes this kind of information readily available. Our records are kept for other purposes.

MR. CAMP: Your records have been valuable to us here. Thank you.

THE CHAIRMAN: I really just have one or two general questions. I gather from the thrust of your brief that with respect to agency that you consider because of the quotation that I gave back to you, Doctor, this morning that you feel that the concern of buying around in addition to the factors and figures that you have given us in your opinion is not a significant one in relation to the survival of Canadian book publishing, is that really the thrust of your argument?

MR. ESPLIN: That is really the thrust of our argument, yes.

THE CHAIRMAN: Do you think that we

should, in our work, consider the question of whether or not there can be an applied division between publisher-agents on the one hand and the publishers who are publisher-agents on the other so that we can target towards a division between the agency segment of any given business, if you will, which is a mixture and the actual publishing aspect of it in terms of the creativity aspect? In other words, should we target if we find a firm or a set of firms which are both publisher-agents and publishers, whether we should target towards seeing what can be done for them, if anything, or whether we should confine the major inquiry and recommendations, if any, towards that segment of those firms which relates to the publishing of books, Canadian books, whether we should focus on that aspect? I don't know that I am making myself clear.

MR. ESPLIN: I would have thought that your primary responsibility -- I hope I am not out of place in saying this -- was to those firms, irrespective of whether they are publishers or publisher-agents, that in fact publish Canadian books and that have done something on their past record for Canadian authors or publishers.

THE CHAIRMAN: Having taken that position, now we have come down that far, can you look inside a firm of that kind and say "You have got two business operations going, one is an agency operation and one is a publishing operation"? Am I clear to that point? Do you think our focus should relate to a division that has to do only with publishing as opposed to the agency side of the business, or can you divide it?

MR. ESPLIN: I think that is difficult in the absence of real information as to what goes on in these firms.

THE CHAIRMAN: In the presence of information that shows that there could be a division, where should the emphasis be?

MR. ESPLIN: On the side that publishes Canadian books.

THE CHAIRMAN: We have heard that the agency practice among publishers is going to disappear. Would you comment on that kind of observation?

MR. ESPLIN: Unless they are able to improve their agency business very considerably, it certainly will disappear.

THE CHAIRMAN: Is that the reason you think it will disappear?

MR. ESPLIN: I think that is one reason.

THE CHAIRMAN: Would that also apply to foreign controlled publisher-agent-publishers?

MR. ESPLIN: I might be getting lost in this, but I think you have a different factor in there in that presumably they have a parent that is interested in their survival.

THE CHAIRMAN: Come back, then, to the Canadian-controlled ones.

MR. ESPLIN: The Canadian-controlled ones, I think the agency side of their business is probably being damaged as much, if not more, by the improvement in worldwide communications than by any buying around or lack of efficiency on their part.

MR. CAMP: I just had one further small question about Appendix 7, the failure rate of 58 per cent. What was the failure rate of the failure rate after you -- do they know after -- where did they go after they were told no Canadian rates ---

MR. ESPLIN: They went to a jobber.

MR. CAMP: Presumably, then, they would be satisfied as to their need?

MR. ESPLIN: They would certainly be a great deal more satisfied because the jobber would use many more channels to get the book.

MR. CAMP: I was hoping it would only be half and then we would have a different view of the problem.

DR. JEANNERET: If I take you to pages 8 and 9, on page 9 these figures still bother me and the headings for the figures. I

think maybe we will have to ask you some further questions later as we close in on them. You strip down your purchasing to a 195,487 possibly buying around figure halfway down page 9, by adding segments 5 and 9. I don't understand why you did not go back to page 1 -- page 8, under number 1, where you say "Spent in Canada New Book Dealers and Agents". I asked you about this a little while ago and you said one-third, one-third, one-third. That 175,000 is not an amount that was spent exclusively through so-called exclusive Canadian agents, is it?

MR. ESPLIN: No.

DR. JEANNERET: This changes the total interpretation here.

MR. ESPLIN: I think you have to look at it in relation to a number of other things said in the brief. One of them is that we are concerned with the total universal publishing in Canada, which is commercial, non-commercial, governmental. You will see -- I am sorry, I have got lost in these as well. In appendix IV, the sources of supply to the University of Toronto Library, you will see number 14 is Canada. 929, this great deal of material issued and published in this country which does not come through any commercial source at all, associations or private people who publish something and there is no way of us getting that material without getting directly to them and that is why we come up with

this enormous figure.

DR. JEANNERET: This number 1 figure doesn't include any of Appendix IV, as I understand it. Appendix IV does not appear in item 1 which is "New Book Dealers and Agents Spent in Canada"?

MR. ESPLIN: That 929 sources of supply would include, at the outside, maybe 10 antiquarian dealers in Canada.

DR. JEANNERET: That is item number 2, but item number 1 says "New Book Dealers and Agents" and you spent $175,243. I just want to understand what new book dealers and agents are? New book dealers would be anybody who imports a new book?

MR. ESPLIN: Or publishes it.

DR. JEANNERET: It should be one or the other. We should take that 175,000 out for the purpose of computing the possible buying around, because you can buy around without sending the order out of Canada.

MR. ESPLIN: You can do that, of course, yes. There would be a certain amount in there but it is a very small sum.

DR. JEANNERET: You mean 5 per cent of something or$100,000?

MR. ESPLIN: Oh, no, a very, very small sum indeed.

DR. JEANNERET: Of the money you spent in Canada on new books, a great proportion, 90 per cent or thereabouts, was

addressed to so-called exclusive Canadian agents?

MR. ESPLIN: The actual figure is ---

DR. JEANNERET: Give or take.

MR. ESPLIN: The actual figure on agents, we did get it out. It is not entirely -- it is a plus or minus figure -- it is over $90,000 a year.

DR. JEANNERET: That would be about half of that.

MR. ESPLIN: Exclusive agents.

DR. JEANNERET: You should add the rest back onto your $190,000 possible buying around.

MR. ESPLIN: This is the point I am making. There is an enormous amount of publishing of Canadian books in Canada which are not published by a commercial Canadian publishing house.

DR. JEANNERET: That, I understand.

MR. ESPLIN: That amounts to quite a sum.

DR. JEANNERET: This government purchasing, for example?

MR. ESPLIN: We do not purchase because we are a depository and the material is given to us.

DR. JEANNERET: We may want to know the exact meaning of some of these headings further, to clear our understanding. We want to make sure we don't miss a point because if the accounts receivable of the firms we are talking to don't

come somewhere in this general area, we have to explain the discrepancy so that they understand. Your brief is public now.

MR. ESPLIN: Oh, yes.

THE CHAIRMAN: Gentlemen, it is an enormously useful brief and extremely well prepared. We appreciate the time and attention you have given on it.

DR. BLACKBURN: There is one other point we know is of interest to your Commission, and that I missed this morning when you asked about it. This is the Quebec legislation. I wonder whether you would like to hear our ---

THE CHAIRMAN: By all means. Would you care to comment on the legislation?

MR. ESPLIN: In a sense I would like my comments to be off the record.

THE CHAIRMAN: Very well. We will say this. We are prepared to discuss them off the record with you, but at this time anything you say is going to be very much on the record. It may be useful for us to have a discussion in an informal way about your views that could be useful. That is your choice at this point.

MR. ESPLIN: Could I give some tentative ideas? I have read the three Orders-in-Council. My impression is they were designed to solve a specific problem. That thought was not given the over-kill aspect of it, that the Orders-in-Council themselves, I believe, tend to

be almost unworkable, that insofar as they affect the university libraries in Quebec, they are almost unmitigated disaster which will largely deny Quebec university libraries access to the world book markets. This, because there is no bookseller in Canada who has either the knowledge or the expertise to be able to do what the university library requires. It also, I think, will have a very unfortunate effect in putting another middleman in so that the costs so far as the libraries are concerned, can only go up at a time when all educational institutions and all universities and university libraries are facing a shrinkage of their funds.

THE CHAIRMAN: Indeed we may wish to talk to you more about this aspect in the very near future, if we may.

Thank you very much indeed. You have been most helpful.

DR. BLACKBURN: Thank you.

MR. ESPLIN: Thank you.

Nethercut & Co. Ltd.
Toronto, Ontario

SUMISSION OF JOHN F. MARRIOTT

DR. JEANNERET: We are going to proceed, Mr. Camp and I. The Chairman is engaged with matters that happened earlier this afternoon. I presume, Mr. Camp, what we would be glad for you to do, is for you to review your brief, which is a brief one.

MR. CAMP: Further encapsulate it.

MR. MARRIOTT: It is very brief, I must say. It was done on a rather tight schedule. It was a question of making a comment or not at all. It is more of an impression than a research type of brief, obviously.

As I stated, I have had a little bit of experience as a budding writer,as you wish, and when I heard there was going to be a Royal Commission, I sat down and thought for half an hour or so about the problem and I put it into three basic compartments: Lack of what I think is competitive ability of Canadian publishing firms in Canada, particularly the paperback aspect. Obviously this is going to be a big ditto, much of what I have said.

The necessity of maintenance of Canadian publishing firms and some suggestions, as I saw them, and some possible solutions to help solve the problem.

As I pointed out, there seems to be very little in the way of direct subsidiary outlets

for Canadian publishing firms in the States as there are for firms in Canada, i.e. Random House and Doubleday. There seems to be very little competitive involvement in the paperback industry by Canadian-owned publishing firms. I felt when they got involved, McClelland and Stewart, for instance, gets involved in paperback publishing quite often. This may seem like an odd comment, but the quality of the material in the book seems to be quite good and this may contribute to a higher retail cost. The paper seems to be of a finer quality than the average American paperback book you find, sir, in your supermarket, for instance. I felt that this was maybe overpricing themselves a little bit in considering that there is a small market already. This is only going to increase or irritate the situation.

I also felt the problem with regard to publishing the whole Canadian -- I am talking about entertainment-type publishing, mainly, not textbooks. It seemed to be the over-kill reaction of Canadian publishing houses in their attempt to reflect and nurture Canadian ---

MR. CAMP: You mean over-publishing, is that what you mean by "over-kill"?

MR. MARRIOTT: No. I think they got involved in too much publication which you could call Canadiana rather than just a product of Canadian authors which -- the setting may not be in Canada. A Canadian author

may write a story that may take place in Detroit, for instance.

DR. JEANNERET: You think they have turned down the latter and chosen the former?

MR. MARRIOTT: As I say this is just an impression. If you walk through the book stores this seems to be the case. I don't know, you would have to ask the Canadian publishing industry.

DR. JEANNERET: Don't you feel the international subject matter type of book by a Canadian author was not offered to the Canadian publisher but was published abroad, and the Canadian publisher was left with the clearly Canadian type of publication, Canadian setting, Canadian scene, Canadian novel and we get back to that old cliche, boy loves a girl in Winnipeg and who gives a damn? I am not seeking to disagree with you: I just wonder if this is not the way it works?

MR. MARRIOTT: I seem to get the impression that this seems to be the case particularly last year that often they try to take the safe route and seeing that there is a lot of talk about development of Canadian culture, independence and economic independence and everything else, they tend to publish more Canadiana. I think they feel it is a safer type of thing.

DR. JEANNERET: But you are submitting us the unsafe route?

DR. MARRIOTT: I am not really saying this, I am just saying they should try to expand and be a little more flexible and

maybe they will be more competitive in the international market, for instance, than they are now if they did this because obviously this type of book is not going to be saleable, for instance, in the States as well as a straight novel, if you wish. That is not maybe the term. This may be one thing.

Actually the maintenance of Canadian publishing firms, I have written a novel and almost sold it to one firm in Canada and then I decided to go to the States but before I went down there I had looked into American subsidiaries in Canada and I found that in many instances they don't even print in Canada: they just print in the States and bring them across the border. Random House, for instance, does that and in other instances such as Doubleday will only publish in Canada with a contract with a New York firm, so you can't even submit your manuscripts in many instances to American subsidiaries in Canada, you have to send them across the border.

MR. CAMP: Did you take your novel to a Canadian publisher first?

MR. MARRIOTT: Actually just one. Actually I decided to rewrite it on the suggestion of a workshop head at the time. I was going to submit it to the Oberon Press, as a matter of fact, the chap who was here this morning, but decided to rewrite the book.

MR. CAMP: But you submitted it to more than one publisher?

MR. MARRIOTT: Yes, but I must say only to one Canadian publisher. A lot of the small publishing houses are not listed, for instance, in the Canadian Authors' List which is compiled by the Canadian Authors' Association and that is another problem. They are hit both ways. As I found out this morning when I was here for about half an hour, not only do they not have agents and so on but they don't always publish or go to such organizations as the Canadian Authors' Association and let it be known there that they do exist. There is a very small market then for Canadian writers. They try one or two of the big ones such as McClelland & Stewart and then right across the border which seems to be the usual route.

MR. CAMP: I am interested, though, in your efforts as a prospective author as to whether you received any assistance, advice or help from the publishers that you approached or did you just get a rejection slip?

MR. MARRIOTT: No, I must say that the first time I did not get a rejection slip was from McClelland & Stewart. They did write me a letter and they said they felt there was some merit in the book.

MR. CAMP: How long did they keep the manuscript?

MR. MARRIOTT: They kept the manuscript for two or three months at least, before I got it back.

MR. CAMP: And did you submit it to American publishers in Canada?

MR. MARRIOTT: I tried to submit it to American publishers in Canada, yes -- well, Random House and Doubleday for instance and, as I say, Random House, this is a strictly business office and Doubleday you have to go down to the American office in New York before they will publish it in Canada.

MR. CAMP: But there are publishers here who do publish here as well as well as distribute?

MR. MARRIOTT: Well, at that point I was thinking of sending it across the border at that point and then I decided to rewrite the book. This is the stage I reached at that point. I am not sure what I would have done, I think it would have sold across the States.

DR. JEANNERET: Just to correct the record, Mr. Marriott, you indicated a moment ago that the American subsidiary more or less automatically manufactures any book he accepts in Canada by a Canadian author in the United States. I would point out that Circular 14 effectively bars him from doing that in the educational field and that probably, let us set university books aside which are a special case, probably the great

bulk of books accepted by foreign subsidiaries in Canada from Canadian authors are for this reason made in Canada but it doesn't change your point regarding fiction, I must agree.

MR. MARRIOTT: I didn't cover the necessity of maintenance of American publishing firms.

DR.JEANNERET: You were into it.

MR. MARRIOTT: Some of the reasons I was just talking about, such as the fact that they just seem to have business offices in Canada, I think this is the major reason why we want to maintain the independent Canadian publishing industry in Canada because, for instance, if an American firm -- I don't need to pick on only the Americans -- but if they had some problems and priorities had to be set it is obvious that priorities would be set in favour of the parent firm in the States. I think that is the major reason why and if this happened then we could end up having a shrinking of Canadian culture and artists with a consequent loss of identity and profit if there is any profit to be made. It seems like there is not very much so far to Canada as a whole. That is just why, in a nutshell, I think we should maintain the Canadian publishing industry.

My suggestions -- now these again were just informal comments that I felt Canadian publishing firms should get interest-free loans to

help them during times of financial difficulties. I pointed out here, I said I don't think they should be forgivable loans as this would create too much dependency on government. I think, just like the press, they should have freedom and autonomy and I think if they get too much financing from government then they might try to put out a product that they think is compatible with --

DR. JEANNERET: This is my standard question: On what security?

MR. MARRIOTT: I think they would have to have some proven past performance.

DR. JEANNERET: That is not security, that is credit rating. I am not talking about credit rating, I am talking about security of the loan. Should the lender -- presumably the government -- seek maximum security in the event of delinquency which means ability to take over or sell or do as it wished if they were delinquent? In other words, do you really put the emphasis on the word "loan" and all that the word "loan" implies which means paying back?

MR. MARRIOTT: Paying back, yes. Well, I would like to have some of the same aspects of a grant as well in that the government would be taking a greater risk, let us say.

DR. JEANNERET: It probably is taking a great risk in making the loan and is subsidizing it if it is a low-interest loan but I

just wondered how seriously you proposed that it should be a loan which means --

MR. MARRIOTT: Well, if government takeover was involved then I would say no, it should be a grant.

DR. JEANNERET: It is a dilemma.

MR. CAMP: It can very quickly become a grant if it is not paid.

MR. MARRIOTT: Yes.

DR. JEANNERET: Every loan is a grant.

MR. MARRIOTT: I think also that Canadian publishing firms could support a continuing advertising campaign, possibly again with government assistance through the Canadian Publishers' Association. I imagine there is such an organization, I am not really aware of it. It would help to get Canadians to read more books.

DR. JEANNERET: There is an embarrassing number of associations.

MR. MARRIOTT: Maybe that is the problem, maybe they need one central national organization but even if they had TV spots saying, "Read more books" --

DR. JEANNERET: I say that has been suggested already by the Canada Council.

MR. MARRIOTT: I think advertising would be a good thing, if they had spots on television, for instance, saying, "Have you read a book lately?" and things like that. There is a lot

to be done in that area. The Canadian publishing firms could also get involved in something I touched on before and I think I referred to good honest competitive fiction which may not even mention Canada. I think the thing I was worrying about here was that some Canadian authors may feel that they have to introduce an artificial component just to get a sale in Canada. They should not feel this way but sometimes they do.

I often feel in today's atmosphere that if a Canadian author, for instance, set his book in a country other than Canada he might be crucified for the book having less quality and if he set in Canada he might get praised a little more. I think there should be encouragement of direct Canadian outlets to expand the activity of Canadian books.

I know the chap who was here this morning, Mr. Brown, said they couldn't sell Canadian products in the States but I think if we published more novels in Canada I think that we could sell them anywhere in the world, including the States.

DR. JEANNERET: I point out this is not an option that is automatically open to the Canadian publisher. The American publisher, using him as an example, comes up in Canada only normally after he has a sufficient market through a representative here to make it worth his while to open up. He has a market here when he opens

and he has a representative. The poor Canadian publisher has difficulty finding somebody who will even represent him, much less an opportunity to open his own office abroad. I mention this just as part of the dilemma, that is all, not to disprove your point. I believe in opening up abroad and have done it.

MR. MARRIOTT: I would like also to see, if possible, the encouragement of more direct involvement on a more competitive basis on paperback sales. I believe you touched on this in your interim report earlier on but I think the majority of books that are bought by "the average Canadian" are bought in grocery stores and drugstores and this type of thing -- paperback books. You can't find Canadian-produced books there at all -- zero.

DR. JEANNERET: This is not the day to discuss that.

MR. MARRIOTT: But it is true.

MR. CAMP: It might be a good day to discuss it.

DR. JEANNERET: There is the paperback myth, I point out, setting out setting aside mass paperbacks and this was most succinctly put in the brief from McGraw-Hill, pointing out that it is naive to suppose that because American paperbacks can be sold at $1.95 therefore, Canadian books can be published at $1.95 and Canadian publishers are just missing this market.

It is a factor of scale, that is all.

MR. MARRIOTT: Right, but even if they did get more involved in the paperback publication, they seem to go in mainly for hard cover editions and most people don't buy hard cover editions today. Even if they can cut the costs a little bit that way --

DR. JEANNERET: I don't want to prolong the discussion, but don't forget that the paperback edition costs the publisher only 40 or 50 cents less than the hard cover edition and he has to write off all the costs of the hard cover edition and patterns of pricing permit him to do this on a hardback but not on a paperback. He has to get rid of those initial costs, -- advertising and everything else.

MR. MARRIOTT: Possibly such a thing as advertising costs may have a co-operative form of operation, an advertising firm in Canada, maybe this might help him. There might be other routes rather than involve the costs of individual firms. I don't know, there are a lot of problems here, of course.

DR.JEANNERET: Will you explain this study about libraries to see if there is a quirk in purchasing practice when dealing with Canadian firms? I didn't understand that.

MR. MARRIOTT: I think what I was getting at there was mainly retail outlets and this is related back to something you mentioned before, this Canadiana. There seems to be an abundance of Canadiana-type books and I was wondering if part of the fault, if that is the correct word, lies with some of the retail outlets and not as much as I may have insinuated with the Canadian publisher.

DR. JEANNERET: What do you mean by "quirk"?

MR. MARRIOTT: Retail outlets, when dealing with Canadianpublishers, may go after Canadiana and not even attempt to buy other types of books. I was wondering if they showed a bias towards only that type of book when dealing with Canadian publishers. I don't know.

MR. CAMP: You think the book stores are overloaded with Canadiana?

MR. MARRIOTT: I think so. I think they have reached a saturation point. A point that could be brought up here too, another cooperative term that could be considered would be a national council for assistance. This way the national group would publish lists for individual firms and mail them to all retail outlets and libraries in Canada. Something that happened to me, for instance, I was asking for catalogues from the Kingston Library and, as a matter of fact, ironically enough, it was the Oberon catalogue

I asked for and they had to go up in the attic to find it. If there was a national list of all Canadian publishers in one catalogue, this might help to distribute costs. I don't know.

MR. CAMP: The public lending library in Kingston, you are referring to?

MR. MARRIOTT: That is right. My final point had to do just with the study of foreign laws relating to their own publishing industries. I believe some of the American publishing houses, for instance, have write-offs that Canadian firms don't have.

DR. JEANNERET: I have no other questions, Mr. Marriott.

THE CHAIRMAN: Thank you very much, Mr. Marriott.

SUBMISSION OF JAMES McNEILL OF CARLETON PLACE, ONTARIO

THE CHAIRMAN: Is Mr. McNeill here?

MR. McNEILL: Yes.

MR. CAMP: We seldom have anyone quite so versatile.

THE CHAIRMAN: We have read your brief and since you don't have it in front of you,

you can speak to it with a great deal of lucidity. Please do.

MR. McNEILL: I submitted the brief and, as you noticed, I tried to keep it very brief, based on four years of experience with Eskimo and Indian people, which is a small ethnic segment of our population that we have not heard from. On the 1st of May I decided to send it to the rest of the country and private publishers and went on my own. I have got a little more than I can handle at the moment.

MR. CAMP: When you say "private publishers" you mean other than government publishers?

MR. McNEILL: Other than government publishers, yes.

I think to get the best deal for the writer it has to be a private publisher. He has to be on royalty, some form of income.

MR. CAMP: I am interested in what you see as the opportunities for this kind of publishing in this particular field. We have had a very brief experience with it, but eight titles are a lot of titles. How many publishers were represented with these eight?

MR. McNEILL: Five altogether, all Canadian.

MR. CAMP: Five different Canadian publishing houses?

MR. McNEILL: Yes. I think the best success was with Gray's Publishing on the

west coast, who is quite new in the field, started off on a shoestring.

MR. CAMP: Hardcover or paperback?

MR. McNEILL: Hardcover. The way we were able to help him most directly was when he published his first title written by an Indian. The man had no money for publicity, so we put his author under contract and got him on a tour where he could get some exposure. It was a very indirect form of subsidy. He exposed himself.

MR. CAMP: I know what you mean by the uncertainties of the private publishers but what hazards did you discover you can identify for us?

MR. McNEILL: In one case particularly I convinced a publisher he should go to 5000 on his run and he had quite a time to get rid of 5000. We were able to get him off the hook slightly by taking 1000 from him because at that point the Department of Indian Affairs had a certain number of classrooms under their jurisdiction and were able to distribute them back to the Indian people.

MR. CAMP: These are distributed among the ---

MR. McNEILL: We distribute them in an area where it has no effect on the market, because up to now, Indian people have not been labelled as great book-buyers. We wanted to get

the other side of literature development.

MR. CAMP: What basis was this on?

MR. McNEILL: The population on a reserve of, say, 100 families, maybe four copies would be used in that certain area.

MR. CAMP: You give these away?

MR. McNEILL: Yes.

MR. CAMP: Who pays the publisher's costs, this is his own contribution?

MR. McNEILL: In this case, Indian Affairs purchased 1000 copies to give away where it wouldn't interfere with the market. You get a good reduction on it and it still gets the publisher's costs up.

MR. CAMP: It is a form of direct subsidy which you are in favour of?

MR. McNEILL: Yes.

MR. CAMP: Are you an agent for the author?

MR. McNEILL: I was acting as an agent.

MR. CAMP: Indian author's agent?

MR. McNEILL: Also our first Eskimo novel which we had quite a time finding a publisher for, but I got a university publisher to take it and it was the best thing they had ever published in the whole history of their publishing, 15,000 copies in three months. The title was Harpoon of the Hunter.

MR. CAMP: I have no further questions.

I commend you on your enterprise.

DR. JEANNERET: There is only one thing that stopped me dead, and you have already partly dealt with this,but not in your brief. You said the best means of providing indirect subsidy was getting a preprint order for a sufficient number of copies to lower the publisher's overhead as in the purchase of 1000 copies being offered as an example. You explained to Mr. Camp that these were strategically distributed to people who would not buy them anyway. I would say that that is legitimate, but so often this type of assistance leads to a general distribution to the very people, meaning libraries, who would perhaps be a market and you strangulate the person you are trying to help.

Mr. McNEILL: This must never be done.

DR. JEANNERET: Your brief doesn't say that, but you did.

MR. McNEILL: Ithink a good example of this would be when a publisher gets hold of a good property, you know, he knows where the market for that property would be. If he can get a school board, or Department of Education of a province, or anything of that magnitude, he is well on his way.

MR. CAMP: As long as the author gets his royalties.

MR. McNEILL: Usually on a large

sale like that the author's royalty is scaled down anyway.

DR. JEANNERET: I would question that with respect, Mr. McNeill. The Saskatchewan and Manitoba book dealers and the book purchase of 10,000 copies, would normally bring him royalties.

MR. McNEILL: Yes. I don't mean it this way. Usually a royalty contract is written out -- at least mine has been -- where my royalty is so much at the domestic selling price and so much on bulk sales and so much on reduced sales.

DR. JEANNERET: So much for bulk sales in Canada?

MR. McNEILL: Yes.

DR. JEANNERET: I had better not comment in that case but it amazes me.

MR. McNEILL: Yes. In some cases -- well, this is a personal experience in this one. The American publisher is Welch in New York. Welch takes, I don't think the same royalty as I get in an across-the-counter sale in a Canadian bookshop.

DR. JEANNERET: A book club sale would be different where you can negotiate a low price and then a royalty might be based on the selling price, but a bulk sale at a price that was not a reduced price, I can't understand why the royalty would drop. It should go up because he doesn't have selling costs.

MR. McNEILL: If the book is still selling and still in print and they make a bulk sale to another country, this is where it usually happens.

THE CHAIRMAN: Mr. McNeill, you say:

"The removal so far as possible of sales and other taxes on materials used in the production of a Canadian book, would help printers and others in the industry to compete with overseas binders."

Are you talking about sales taxes provincially? Are you talking about taxes on materials federally? What taxes are you talking about?

MR. McNEILL: I think, generally, all the taxes that are on the materials used in the production of a book and this can also work --- a good example right now is modern printing techniques and using offset, you can now get a book set, for example, in Hungary for about $1000 but the same book is going to cost you about $3500 to $4000 in Toronto, this type of thing. If there are any costs to take off, take them off.

THE CHAIRMAN: My colleagues are using the word "Hungary" to some extent, in relation to what you have just said, in terms of Canadian printers on that basis. You do not think that there is possibility of, if safeguards are taken, the

reduction of taxes would be utilized by the printers to increase their profit margins rather than reduce the price of the books and, if so, what safeguards could be, you know, suggested, if you will?

MR. McNEILL: Well, I think if there was a subsidy, direct or loan or whatever method, being given for a particular book to a particular publisher, and it was, you know, in the interests of the public and the publishing industry, perhaps the amount could be measured on his actual cost of production.

THE CHAIRMAN: Have you any titles you are dealing with now in your private capacity?

MR. McNEILL: I have three now.

THE CHAIRMAN: Any of those dealing with Eskimos or Indians?

MR. McNEILL: One is the second novel by an Eskimo novelist, Markoosie. And another oneis more an adventure-type story, so I am looking for a market for it and we will do some editing. It certainly needs a retype job.

THE CHAIRMAN: If you bring it into a condition to publish in Canada, what are you going to do with the rights?

MR. McNEILL: I am going to market them on his behalf.

THE CHAIRMAN: You are going to market the rights of the end product, the book?

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Toronto, Ontario

MR. McNEILL: Just the rights, because I don't want to get into the publishing business.

THE CHAIRMAN: You don't want to get into the publishing business as such?

MR. McNEILL: I just want to remain an agent.

DR. JEANNERET: A very intelligent man.

MR. CAMP: I can't say the same for the people on this side.

THE CHAIRMAN: Thank you very much for coming, Mr. McNeill.

MR. McNEILL: Thank you.

---Adjournment

Government
Publications

ONTARIO

ROYAL COMMISSION ON BOOK PUBLISHING

LIBRARY
MAY 5 1973
UNIVERSITY OF TORONTO

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Dr. Marsh Jeanneret	Commissioner
Mr. Dalton Camp	Commissioner

Mr. Robert Fleming	Executive Secretary

Hearings held at Conference Centre,
5th Floor,
Ottawa, Ontario,
June 15th, 1971

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SUBMISSION OF

Mr. L.J. Poirier, Coordinator of Bilingualism, Algonquin College	)French Language Ad-)visory Committees of)the Ottawa and Carleton)Boards of Education
Mr. Peter, Fieger, President Miss Geraldine Channon, Executive Secretary	)Canadian Teachers')Federation))
Mr. Jean Menard, Mr. O. Deslauriers, Mr. Seraphin Marion, Mr. Gerard Levesque, Mr. Marc Foisy-Desforges	)Association Canadienne-)Francaise de)L'Ontario))
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Mr. Jack O. Gibbons	

Ottawa, Ontario,
June 15, 1971.

--- The hearing commenced at 9.30 a.m.

THE CHAIRMAN: We have with us this morning Mr. L.J. Poirier, representing the French Language Advisory Committees of the Ottawa and Carleton Boards of Education. Mr. Poirier would you touch the high points of your brief and then we will discuss it with you?

SUBMISSION OF FRENCH LANGUAGE ADVISORY COMMITTEES OF THE OTTAWA AND CARLETON BOARDS OF EDUCATION

MR. POIRIER: I wish to make the following points. It As the needs of English-speaking Canadians have been clearly defined by the latter it is of great importance that we of French-speaking expression have received the legal rights in our public and high schools and in high schools it is, as you know, public schools, French-language public schools we would like to point out that it is logical, if not imperative, that the Ontario Government follow through its legislative support by granting the necessary funds to give financial aid to authors, to publishers and libraries to encourage the composing, the drawing up, the publication and the availability of school texts as well as reference texts in French.

We would also like to point out

the necessity which the Ontario Government must undertake to financially aid school boards to allow them to grant teachers necessary leave of absences, sometimes called a sabbatical leave of absence, for the preparation, of teaching materials in French, teaching materials adapted to our needs in Ontario.

We would also like this government to offer a certain kind of leadership. We feel that some of our officials whom we sometimes call the very well paid officials undertake a certain co-ordination throughout French-speaking Ontario for, as you know, we are spread out across the province in the eastern part, in the north and here in Ottawa. A co-ordination to prevent the best hearing of efforts.

I clearly see that this government could initiate regional teams and co-ordinate their efforts. Finally, we would like to see the Ontario Government initiate a much closer co-operation between the Federal Government and the Royal Commission such as the CBC and the Department of Education as well as the Department of University Affairs of Ontario so as that provincial institutions have access to the material which the societies have.

This, in brief, Mr. Chairman, is what the Advisory Committees of Ottawa and Carleton have wanted to point out today.

DR. JEANNERET: Mr. Poirier, at

page 3 of the French text it says, there is a recommendation that the Ontario Government financially aid by grants or subsidies authors interested in translation or better still the drawing up of school texts or reference texts. Could you please distinguish for us between texts which should be translated and those which should be prepared or drawn up again?

MR. POIRIER: We see, Mr. Chairman, that in every case it is not necessary to re-invent the text since there are excellent texts in English which only make a translation necessary or at times an adaptation and a good translator does an adaptation rather than a translation. Therefore, we would be saving a lot of money and energy by doing this. There is right now excellent school texts which are accessible to high school and public school teachers in Ontario and with a slight adaptation to include Franco-Ontarian culture could be used in classes.

DR. JEANNERET: You are speaking of texts coming from where?

MR. POIRIER: I am speaking of school texts written for Ontario schools, English-speaking schools. It would be ideal, of course, if these texts would be invented, created, initiated by French-speaking people who know the cultural context of French Ontario but as I have said it is not always necessary to recreate

but it can be readapted and a certain amount of readaptation has been done of certain material which was originally English which are now available to French schools since they have been adapted.

DR. JEANNERET: In your opinion is there a large number of translators, authors, who are French-speaking in Ontario to do this?

MR. POIRIER: You know, as far as school texts are concerned, I think that the best authors are the teachers themselves. They know the subject treated, they have a lot of experience, they know the school curricula which more and more are left up to the school regional boards. What they lack sometimes is time and financial encouragement so as to make or create themselves these texts. As far as translators are concerned we have in Ottawa at the Secretary of State a large number of excellent translators who could be loaned to the provincial school boards to adapt or translate very good English texts.

DR.JEANNERET: And as you have told us if there are great problems for publishers, for English-speaking people there are huge problems for French-speaking groups. There is no doubt about that. But there also exists the problem that there are not enough writers, English-speaking writers, that is what we have found out for ourselves and I suppose that there

would also be a shortage, a more serious problem in the French-speaking sector, that is, finding authors who would be sufficiently organized to once again prepare new texts. There would be problems there.

MR. POIRIER: You are right, Mr. Chairman, but in certain school boards there already exists, especially in city school boards, teachers who have prepared lecture notes, very important and impressive ones, and in this case it would only be necessary to add a final touch so that they could be published.

DR. JEANNERET: When you suggest that the Commission encourage agreement between international publishing companies for the spreading of teaching films in French, you are speaking of an agreement between which parties?

MR. POIRIER: I am speaking of an agreement between the Secretary of State for the Canadian part, I am speaking of an agreement between the Canadian Government and French publishing companies such as Juneau and perhaps even Belgium and other French-speaking countries and with Quebec companies as well. I did not want to exclude them: I felt that that was understood.

Quebec publishing companies, first of all I would say, should be consulted since Quebec books -- bear in mind the French-Canadian context with slight adaptations -- these

books can perhaps sometimes be used in French Ontario schools, but now I would like to caution you. We should not believe that because the book was written by a Quebec author that it is adapted or useful for Franco-Ontarians. Luckily or unfortunately, I don't know, the Franco-Ontarian is not a Quebecker: He is a person quite different from the cultural point of view.

Of course, we will have to go and gather material in Quebec. We need Quebec a little bit like Quebec needs France since in French Ontario we do not have cultural resources sufficient for survival. We need Quebec but we should not believe that these are the only resources available. I feel that there are other resources and governments of French countries are making available their resources and are co-operating with us.

For example, last year a group of students which I represent at Algonquin College Applied Arts and Technology. This group of students who were specialized in travel went for a study trip in France. This group was offered much technical aid and even financial aid by the French Government. And once in Europe the students had available to them advisors. The trip was very fruitful and I feel that French Ontario, as well as English Ontario, benefited from this trip. This trip was subsidized by Ontario and by the Secretary of State.

DR. JEANNERET: This is my last question: Could you give us a few comparisons between prices of texts published here in Ontario, in Quebec and in France, the three areas?

MR. POIRIER: I see the texts translated in Ontario are slightly more expensive than French texts in Quebec. Those who were adopted, of course, we had to pay the services of the translator, as well as a salary for the authors. The market is much more limited. French books are difficult to use. They are very expensive. Last week I had a small technical dictionary sent from France. It was about 150 pages with paper covers and this book cost me $10 really.

DR. JEANNERET: What are you expecting in the future because of recent legislation?

MR. POIRIER: Well, I would rather read this morning's Globe and Mail before pronouncing myself.

THE CHAIRMAN: If you read this morning's Globe and Mail, we want to correct part of the record, which we will do shortly.

MR. CAMP: Mr. Poirier, would you expand a little on recommendation 6? Are you talking about libraries in French-speaking schools, or are you addressing yourself to all libraries in which there would be some Francophone patronage?

MR. POIRIER: I am referring, to

first of all, French-speaking libraries in schools, elementary and secondary, and I believe the school boards, the Boards of Education are now able to provide more assistance than previously to school boards where there is provided instruction in French because of the federal help. The Secretary of State will be providing, as we know, $300 million to the provinces who are providing instruction in the second language. Our Board of Education in Ottawa has received an important sum this year, as has Algonquin College. We could call those bilingual funds. I was referring, first of all, to financial help to school boards which provide instruction in French.

I was then referring to municipal libraries where there is a significant concentration of French-speaking citizens in Ontario. Therefore, Ottawa, Timmins, Sudbury, Cornwall, Windsor, et cetera. Financial assistance also, in some cases to almost duplicate the services where the library technician who is serving the English public may not be bilingual. In that case, since we want to continue full pay policy and certainly not fire the non-bilingual technician, we would need to hire a French-speaking technician to serve the French public and, therefore, the cost is higher because of the bilingual clientele. I was, in fact, referring to our libraries.

MR. CAMP: I understand, though, in the case of school libraries the grants and

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subsidies would be equivalent to those given to any other school library, the English school libraries, is that correct?

MR. POIRIER: I believe it is at the moment, sir, yes.

MR. CAMP: There would be no distinction or difference?

MR. POIRIER: When the Board of Education in Ottawa integrated the formerly French private schools, the government made an ad hoc grant to help the integration along and it continues to assist Boards of Education, the special grant for bilingualism. It is federal money given to the province to help the development of French instruction in Ontario.

MR. CAMP: I would be interested if you could tell me the kinds of books such a library purchases, that is to say, are they books which are originally written in the French language, or are they translations, or both?

MR. POIRIER: Whenever the librarians can get hold of books composed or written originally in the French language, of course, yes, it will give preference to those. In many instances these come from Quebec. Not as often as we might think from English Canada, because of the exorbitant cost, but often enough, whenever the books are useful. Then, of course, second priority to translate it or adapt a text.

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MR. CAMP: Perhaps with your experience and knowledge you could help me. It has often been said we lack a national literature because of the cost of translating works written in French into English, and vice versa. Is there much of the Canadian content, that is, is there much in the libraries of English-Canadian works that have been translated? I assume there is not.

MR. PIORIER: I believe there are more books than we think there have been. Someone not so long ago was talking about a million French books in Ontario libraries. I don't know how precise the figure is. I agree, I certainly agree that much more of this has to be done if we are going to develop into a bicultural society and not a dual culture or two, you know, parallel cultures that don't speak to one another. I think, indeed, if we could at all adapt or translate Robert Frost, for instance, and have the French-speaking citizens enjoy him, it would be great. I think this is perhaps not as necessary there as it might be to have French authors translated and adapted into English, since, as we know, many Franco-Ontarians have a good enough grasp of English to enjoy to a certain extent, people like Frost. There are not too many people around who can do this sort of thing, as the Chairman pointed out a moment ago.

MR. CAMP: That is correct. I think

the Secretary of State remarked that the art of translation is not in sufficient state in Canada to achieve many of the objectives you are seeking here. Now, you might give me your opinion on that.

MR. POIRIER: Evidence the need still for the Secretary of State to recruit outside the country. I had a recent experience, Algonquin College had to hire a translator for -- a resident translator to help the teachers along in their notes and examinations and so on. We advertised in the local press as well as the Montreal press and received 18 applications. Three of those were invited to a written exam and none met our standards. We advertised again a bit more broadly and this time advertised in the Globe and Mail and I am told there are about 500 French-speaking translators in Toronto working for companies, Simpson-Sears and so on. We received 93 applications this time and eventually found one person, but he was from Ottawa working for the House of Commons Committees. It is not easy to find competent people.

MR. CAMP: What is the requirement to produce translators? What is it the universities don't produce them, or society doesn't produce them?

MR. POIRIER: Until very recently the salaries. The salary did not encourage people to become translators.

MR. CAMP: What is the present rate?

MR. POIRIER: Right now it is rather interesting. The Secretary of State I think classified them from one to five and the maximum for a translator 5 is $15,600 and then a possibility of becoming an administrator 1 or 2 and reach the maximum of $19,000, I think. This is being revised.

DR. JEANNERET: It is not necessary to be bilingual to be a translator. That is where a few of our colleagues, multi-lingual colleagues make a mistake, when they hire a bilingual secretary. They ask them to translate for them. Translation is an art, an art which necessitates training, preferably University training, and several years of experience.

There is another question I would like to ask you. I will ask it in English: Legislative grants for the purchase of textbooks under Circular 14, were integrated in 1968 with the per capita grants for pupils. Would you favour their being segregated again as a separate grant in which case it would be possible to compare the grants allowed for English-speaking and French-speaking schools and consider the advisability of an enlarged grant for the French-speaking schools? It is not policy. I am asking you whether or not you would

segregated them?

MR. POIRIER: To be able to control if a school board follows up its decision, policy decision, I am in favour of a separation of these two sectors so as to clearly identify how much money is made available to the French-speaking sector and how much to the English-speaking sector. Since it is only since January, 1969 that the Ontario law allows teaching in French, I think there is a lot of catching up to do and, therefore, I am clearly in favour of the grants.

DR. JEANNERET: It is necessary to separate the two, yes, I think it is.

MR. CAMP: Well, I -- with regard to number 7, I have some trouble sometimes determining what "liberalization" means, but it seems to me to be sensible and my question to you is, what is the problem?

MR. POIRIER: I believe it is probably a union problem. Do I need to elaborate?

MR. CAMP: For the record, I would appreciate it and for my intelligence.

MR. POIRIER: I remember being a high school teacher in London, Ontario and the Radio Canada, or CBC had made accessible to the students an educational program at a given time, a given date. In order to have our students benefit from this further, I had requested from Radio Canada, permission to obtain

a tape of this program and it was turned down. It would have been easier for me to place a tape recorder near the radio and illegally, perhaps, but anyway, record the program myself.

DR. JEANNERET: That is a standard procedure, we are told.

MR. POIRIER: I suspect you are right, Mr. Chairman. There are many programs that are recorded for television purposes which would benefit many classrooms if they could be used when the teacher needs them and I understand that many of these -- most of these are not availabe.

MR. CAMP: I understand that in the example of the Canadian Broadcasting Corporation. I don't think it is an insurmountable problem, but I understand the problem. With regard to Information Canada and the National Film Board and ETV, I don't quite understand what the problem would be.

MR. POIRIER: Of course, the Crown Corporations have made many of, or much of their material available and the problem is lesser, but I understand still that we can't get anything that we want, nor can we -- this is where I think the problem resides -- nor do we have access to their services for the production of films in French.

THE CHAIRMAN: This is a problem which resides also with those who are English-speaking: They can't get access either on that basis.

MR. POIRIER: I understand because it has to do with educationand education being a provincial thing --

MR. CAMP: The Chairman understands that but I don't. What do you mean by having access to you?

MR. POIRIER: Suppose the Ottawa Board of Education needed the kind of specialized help that only a Crown Corporation has for the production of a very special film. Requests have been made and the requests have been turned down for technical assistants. There is a kind of expertise in these Crown Corporations that no school board can afford, apparatus and so on that most school boards can't afford. If we make an abstraction of large centres such as Ottawa or Toronto and think of the smaller centres, they will never be able to afford a television service such as we have in Ottawa and if they had access to the expertise that is available in Crown Corporations I think our students, who are indeed Canadians, would benefit from this.

DR. JEANNERET: Are you in favour of introducing the idea of an obligatory licence for royalties so as to give automatic permission to

schools, a certain permit would be made, of course, but without making it necessary for obtaining permission.

MR. POIRIER: Yes, provided the author makes sure he is paid. Yes, I am in agreement. Perhaps it is my Latin temperment which gives very easily before the necessity of forcing people to do something but I think that the whole population should have available for itself the expertise of these authors who have very often received subsidies from the government.

DR. JEANNERET: For computers it is necessary to do the same thing too.

MR. CAMP: I just wanted to ask one more question on No. 7 and that is, have you approached the ETV with any specific request or proposal for assistance?

MR. POIRIER: The Ottawa Board of Education has received excellent co-operation from the Ontario Department of Educational Services and continues to do so and so the problem is not so serious there. We are getting very, very good co-operation indeed from the Ontario Department of Education but when they are ready to provide it.

MR. CAMP: I see, thank you.

THE CHAIRMAN: In this connection, then, what discussions have you had in relation to the urgency of what you are saying to us?

MR. POIRIER: We have in Ottawa a representative of the Department of Education whose responsibility it is to look after television services in the schools in Eastern Ontario. We have had a dialogue with them and we hope that things will loosen up.

THE CHAIRMAN: You used the word "liberalize". Is that what you mean by loosen up?

MR. POIRIER: Yes, I think so, yes.

THE CHAIRMAN: In connection with the general thrust of your brief, have you made representations to the Department of Education of Ontario about accelerating the kind of program that you foresee is necessary?

MR. POIRIER: Well, I would like to have access to the dozens of briefs that the Association Canadiene des Bibliotheques de Langue Francoise, made in the past -- well I am not exaggerating Mr. Chairman -- 50 years along this line. What we need in Toronto is Francophone leadership and I will be more specific, I mean an Assistant Deputy Minister of Education who understands our problems, who is preferably Francophone and who will see to it that leadership is provided to French education in Ontario.

THE CHAIRMAN: Have you put forward this proposition to anyone in the Government of Ontario?

MR. POIRIER: I have met with the Council of the Ontario French Advisory Committees, last year when Mr. Davis was in office and presented him with a brief. We even gave him a copy of the Organizational Chart which suggested how perhaps the Department of Education could be reorganized to better represent, better look after the needs of French Ontario and this is not a precedent, Mr. Chairman: In the Province of Quebec the Department of Education has an Associate Deputy Minister who looks after the needs of Anglophones. I even think he is Protestant.

THE CHAIRMAN: Well, that is a remarkable combination. If you have access to that brief that you presented to Mr. Davis, youmight be kind enough to let us have a copy for our further edification.

MR. POIRIER: I will do so, Mr. Chairman.

THE CHAIRMAN: There is only one point in closing. In your English-language brief you say that we live in America and I think you are referring there to the fact that we live on the North American Continent?

MR. POIRIER: Indeed, Mr. Chairman.

THE CHAIRMAN: Sometimes we wonder. Thank you very much, Mr. Poirier for coming. We appreciate having your brief. You have

explained your brief very well indeed and we hope to hear further from you in connection with the material we would like to have.

MR. POIRIER: Thank you, Mr. Chairman, thank you indeed.

THE CHAIRMAN: I would like, before we get to the next brief, to make a comment on behalf of my colleagues and myself concerning an article in the Globe and Mail today, just for the record, the last paragraph of the report on page 2. It says this:

> " The Commissioners several times expressed doubt that newspapers will give full coverage to their work and recommendations as they are sold at newsstands."

It is not clear whether the Commissioners are sold at newsstands or whatever but we did not say this, either directly or indirectly at any time in the presence of the press or otherwise yesterday or at any other time.

SUBMISSION OF CANADIAN TEACHERS' FEDERATION

THE CHAIRMAN: Now we have with us representatives of the Canadian Teachers' Federation, Mr. Peter Fieger, President and Miss Geraldine Channon, Executive Secretary. We have in the usual way read your brief. Would you touch the high points and we will discuss it

with you if we might?

MR. FIEGER: Yes, Mr. Chairman, we would like to read a bit from the brief and then we can turn to the recommendations and go on with those. We also have with us this morning, Mr. Chairman, Mr. Norman Goble, the Secretary General of the Canadian Teachers' Federation and Mr. Russ Mosher the Deputy Secretary.

The purpose of this brief is to present to theCommission some of the developments in the field of teaching which have implications for Canadian publishers of educational materials. In particular, we stress the movement toward classroom use of many learning aids from a variety of sources, and the consequent change in the concept of the "textbook". Problems of small specialized markets are discussed, as well as the continuing need for material which is specifically Canadian in content.

It is suggested that primary responsibility for the development of Canadian textbooks and other materials should rest with research institutes, universities, teachers' associations and individual scholars. It is further suggested that this work be encouraged through incentive programs financed by cost-sharing agreements among the senior levels of government. The implications for Canadian publishers of this approach to development are also discussed.

Then, turning to the body of the

brief itself:

" The Canadian Teachers' Federation welcomes this opportunity to make a presentation to a commission which, while based in Ontario, is studying matters of importance to all of Canada. The Federation's membership is composed of 13 provincial and territorial teachers' associations, representing approximately 205,000 teachers. Both the Federation and its members are active in the publishing field and are therefore familiar with some of its problems, although they do not generally operate on a profit-making basis.

Our primary purpose in appearing before the Commission is to bring to its attention some of the trends in teaching which have implications for the book publishing industry in Canada."

THE CHAIRMAN: Mr. Fieger, you are launching into a reading of your brief. I hope that you are just going to touch high points because we, having read the brief, want to get at you in terms of the discussion which will be much more fruitful.

MR. FIEGER: If it would serve your

purposes better, Mr. Chairman, I would like to read part of page 2 of the brief and then we can directly to the recommendations.

"

The steady demand for good materials in areas where the total number of potential users may be insufficient to support commercial operations may be readily illustrated. The CTF French Language Commission has expressed a continuing concern regarding the dearth of good textbooks for use by teachers teaching in French. Many of the textbooks are translations of English language books, not necessarily even good translations. In other cases textbooks developed in other countries must be used, although they may not suit Canadian courses of study. In general, it may be said that there is a strong need for textbooks and related materials developed for and by French-speaking Canadian teachers.

Concern for disadvantaged ethnic and cultural groups has pointed up the inadequacy of textbooks for the use of 'average'

1 " children. Studies undertaken
2 by the Federation and others have
3 demonstrated the extreme severity
4 of the educational problems of
5 Canada's native peoples. Although
6 the problems are severe, the number
7 of children involved is relatively
8 small. Thus the market may be too
9 limited for commercial activity.
10 Yet it is plain that course
11 materials developed for urban
12 children in southern Canada have
13 little meaning for native children
14 whose environment, culture and
15 language are radically different.
16 A resolution of this problem must
17 be found if the education of these
18 children is to be significantly
19 improved."
20 And with that I would like to go on to the
21 recommendations.
22 THE CHAIRMAN: I wonder if that
23 principle also extends to the children who are in
24 Canada south and those who are in the United
25 States?
26 MR. FIEGER: I think so, yes,
27 if you are referring to native children.
28 THE CHAIRMAN: I don't know,
29 what is a native child in your interpretation?
30 DR. JEANNERET: There is some

question as to whether or not the market is too limited anyway for commercial activity quite apart from these special groups as you realize.

MR. FIEGER: Right.

Then, if you have particular questions you would like to ask with regard to the recommendations, we will see what we can do about fielding them for you.

MR. CAMP: Well, I am interested in the observation and it is I guess only that on page 8 that you have some concern that the disappearance of Canadian-owned publishing houses may make it impossible rather than merely difficult to obtain Canadian textbooks which are needed. I would think you would agree that so long as there is a Circular 14 there is some guarantee of there being Canadian textbooks regardless of the domicile of the publisher, perhaps even a better one.

THE CHAIRMAN: That is a question. Do you agree?

MR. FIEGER: I don't agree.

MR. CAMP: I am interested in your disagreement.

MR. FIEGER: I don't agree that you can protect the writing of Canadian textbooks by legislative ordinance. You have to develop the writers.

MR. CAMP: Oh, yes, but in order to

develop the writers you have to conserve the publishing houses, that is to say, necessarily what we would call the indigenous publishing houses which is, as we say, the thrust of your statement. It is a good question.

MR. FIEGER: I think that it is not necessarily a condition of it.

MR. CAMP: But this is one of the things, I suppose, that one has to determine in trying to make recommendations as to what is in the interests of the publishing industry in this country, the fact that if the Teachers' Federation were to say that if there were not Canadian publishing houses, that is indigenous Canadian publishing houses, it might become impossible to obtain Canadian textbooks for the schools. Considering the authority for that statement, this would have quite a profound effect on your argument, if you wish to make it.

MISS CHANNON: I might say that is almost a direct quote from one of our Teachers' Associations. They are definitely concerned in that manner.

THE CHAIRMAN: What did they say?

MIS CHANNON: Exactly that, that they were worried about publishing houses in Canada disappearing and the fact then that they would then have no way to push for Canadian materials.

MR. CAMP: This may be a little apart from your brief, I don't think it is, but we have had opinions expressed here frequently with regard to the researching and preparation of textbooks and textbook materials by teachers, that some special consideration ought to be given, some special terms ought to be established and then we have had others say that people who want to write or are inspired to write and regardless of the conditions, the rewards to them are such that they will anyway. I would be very interested in your opinion and judgment as to what you would consider fair in this and as to what formula you think, what incentive ought to be available for the teacher to work in this area.

MR. FIEGER: I am sure you are aware that there are many Canadian teachers who have written textbooks or where two or three teachers have gotten together and produced textbooks as authors. The publishing houses have been quite fair in their treatment of these authors. The problem, however, remains that the time to do their research for these textbooks and the time to do the writing for these is on the teacher's own time and he has to maintain his own job while he is producing this and it may take several years. It may help considerably if there were financial grants available that would enable a teacher to take off a given amount of time from his regular teaching occupation.

DR. JEANNERET: Time and not money you are talking about?

MR. FIEGER: It is money so he can take the time to write.

DR. JEANNERET: But the royalties are very substantial in some cases.

MR. FIEGER: The royalties, of course, depend on the markets for the book, don't they?

DR.JEANNERET: For the publisher and the author.

MR. CAMP: That would be speculative. Would you suggest school boards give teachers leave of absence for a specified period without a lack of loss of seniority or loss

of income?

MR. FIEGER: I am sure this would be looked upon quite favourably by boards. I do not know if they would look so favourably upon providing the money. Governments maybe should, or incentive plans might be involved in this particular aspect.

DR. JEANNERET: Should some of the royalties not go back to those who provided the grubstake?

MR. FIEGER: I depends on the viewpoint of the grubstaker, doesn't it?

MR. CAMP: It also depends to some degree on your point of view.

MR. FIEGER: Yes, right. If I am going to treat this simply as an investment, I expect a return on my investment. If I look on this as a contribution to the general welfare, I do not necessarily have to expect a return on the investment.

MR. CAMP: In your experience, in the country at large, are there any other provincial governments which have any special way of handling this subject, that is to say, is there a precedent for teachers being given leave of absence, for example, in any other province?

MR. FIEGER: Not to my knowledge, but, again, this is speculation. There are provincial governments who do take teachers into

curriculum development committees and provide time for them to work on these, yes, but not in the direct sense of writing textbooks that I am aware of. There may be cases of this.

THE CHAIRMAN: We have been discussing the need for an informal conference between interested parties in relation to the question of whether or not there can be a betterment, if you will, of the atmosphere in the country for authorship of texts and we have considered the question of inviting representatives from the Ontario Teachers Federation and the textbook publishers, and now your organization, to discuss the very questions that are being put to you to determine whether or not broad, general proposals might be made which take into account all of these issues. My question is a very simple one and I think I know what the answer would be. Would your organization be prepared to take part in such an informal conference in the near future?

MR. FIEGER: Without reservation, yes.

THE CHAIRMAN: You might have reservations by the time we are finished.

MR. FIEGER: We will meet those when we get to them.

MR. CAMP: I would like you, if you would, to expand on your statement on page 7 in which you are talking about the matter of

copyright and copying. You delineate the problem and you have suggested a solution. You say:

> "Producers and consumers seem to be at an impasse in this area. Yet would it not be to the advantage of both to seek a compromise through which, for example, consumers could buy from a central source the particular array of materials that they need?"

Do I understand you to say that what that means is they would buy from a central source photocopying of the materials they need?

MISS CHANNON: I don't think it would necessarily mean photocopying. As a matter of fact, the cost of one or two copies is very high. I think we are suggesting a reorientation of publishing so that there would be multiple copies of all kinds of materials and these, of course, can be produced at a much lower unit cost which could be available to teachers very quickly on demand, at a small cost. It is quite expensive, actually, to copy out one page for 30 people, you know.

MR. CAMP: Or 40 pages for 30 people.

MISS CHANNON: That is right. The

cost is not low on a Xerox machine but the convenience sometimes counts.

MR. CAMP: I can give you a library that will do it for a nickel.

MISS CHANNON: That library is absorbing the cost because that is not our experience of photocopying.

MR. CAMP: Do you happen to know what it costs, in your experience?

MISS CHANNON: Our Xeroxing cost runs about 10 cents a sheet in our own office.

MR. CAMP: Are you talking about the central source which would provide copies or a central source which would provide the authentic published material?

MISS CHANNON: I am talking about one that could provide the authentic material by using printing production which would bring down the unit cost. In other words, we are suggesting that a large array of diversified materials be kept at, perhaps, a regional centre that could be obtained quite readily.

MR. CAMP: This could be on a lending basis?

MISS CHANNON: A lending basis or a rental basis, but we are interested in seeing that the publishers would recover costs instead of at present where it is a sort of, you know, illegal copying going on, really, but

it is understandable because of the convenience involved. We also would think that a central copyright clearance house would probably be a good start in that direction.

MR. CAMP: That is a possible, imaginative solution.

DR. JEANNERET: I thought this was one of the more perceptive briefs we have received and I think particularly where it entered into a descriptinn of what is needed in the way of running materials in the classroom today. The benefit of your advice is very great indeed for us all. I don't mean by this that I necessarily subscribe to all your suggestions and conclusions, but there are several matters I would like to ask you about. Your general description of what is undesirable or antiquated in Canadian textbook publishing and what is desirable, is interesting, as I say, but to what extent do you feel the objectives that you are recommending, the ideal learning materials, are reasonably parallel to the objectives that are recognized by modern textbook publishers or publishers of learning materials in the United States? That is to say, quite apart from the question of national perspective and content and in the United Kingdom. Could you just give us a little international orientation here in relation to your recommendations? Do you feel that this is the way things are going?

MR. FIEGER: Well, I would like to make three references here. The British Columbia Teachers Federation has a lessons aid service in which teachers submit successful units of work, the complete teaching packages, with the resource materials and so on. The British Columbia Teachers Federation has set up a printing operation where they can reproduce these and sell them to the teachers at cost. It is a very, very popular service and extremely efficient.

DR. JEANNERET: A kind of teaching aid centre.

MR. FIEGER: Yes, run in the office of the Teachers Federation itself.

Another illustration of this, I might suggest is the new science programs that are being developed at the junior high school level, especially the earth-space science programs. Most of the material is put out by American printing companies, one in Boston that we use in our school up to the Grade X level in which you can buy units of work packaged for students at 30 cents a package, which cover complete units of work, 8 of these packages cover a year's work. These can be distributed, bought and distributed to the students as you progress through the program. They are looseleaf and at the end of the year the student has the whole package. They are tied in with the investigation

approach in science and discovery.

A third thing that I might bring in in relation to this -- I am not too sure just what knowledge you have of this -- at the Commonwealth Education Conference held in Canberra, Australia in February, there was a scheme proposed by the Commonwealth Secretariat for the development on a cooperative basis of book publishing in the Commonwealth, particular emphasis on training writers, training publishing people from the developing countries, to come to Britain or Canada or Australia where the publishing industry is developed to learn the techniques that they can use otherwise. I would suggest that two authorities you might refer to on this particular issue are Mr. Jack McCarthy, the former Deputy Minister of Education, who was at this ---

DR. JEANNERET: He has been seconded to this Commission already.

MR. FIEGER: Dr. Freeman Stewart, who is the Executive Secretary of the Canadian Education Association. He might be a very valuable resource in this particular program.

DR. JEANNERET: In essence you are saying that what you are describing as the ideal assortment of learning materials in a modern classroom in Canada would correspond generally with the more progressive thinking abroad?

MR. FIEGER: And there is another program that I might mention here, and this is the Canada Midwest Project which is working in the social studies area, and which is looking toward the development of this kind of material and other resource materials.

DR. JEANNERET: Your recommendation that the development of curriculum materials be moved away from the commercial publishers confused me a little bit. Almost without exception the commercial publishers, as you know, and as you pointed out, lean pretty heavily on your fellow educationists for the development of such materials. They are usually trained in education in teaching themselves, although not always, and they provide a degree of personal liaison among educational centres that is not easily paralleled by any other instrument that can be named in the educational field, I believe.

Now, what I am trying to get at is this: Might your recommendation not better take the form that, subject to suitable controls and safeguards against intrusions on your already crowded timetables -- and I know they are crowded -- that the textbook publisher should be more formally integrated with the community of teachers and their associations than they are at the present time on a continuing basis? The Chairman has suggested a conference, but if this could be worked out as a kind of continuing

institution, obviously all the questions of practicability and costs and production techniques and marketing and so on, could be supplied by the publishers on the one hand and the professional suggestions by the teachers on the other, with the result that an adequate liaison between the two should be highly productive. Would you comment on this a little bit, please? You seem to sweep the commercial publishers aside and say "Leave it to the educationists", but I was not able to get through in my thinking to the actual production and publishing operation and marketing and decision-making, decisions to publish and so on, financing. There is a whole area here which you have not quite assumed. Perhaps you are assuming it, I don't know.

MISS CHANNON: Well, I think -- we had several reasons for making this kind of suggestion. We were concerned, perhaps, that there was not sufficient encouragement of the very specialized materials that are needed and, therefore, we thought that developmental grants should go to people directly in the educational fields.

We also felt that much developmental work should be research based and this would suggest developmental work in research institutes. We also perhaps felt that publishers might choose to develop certain materials simply on the basis of commercial considerations, you know, will it sell rather than is it needed and that therefore incentives to development of really needed materials should be put into the heart of the educational system. This suggested then that the publishers might reorient their role towards locating these materials that were being developed within the educational systems through incentive programs and that they would devote their creative energies to locating them, keeping all these multitudes of materials straight somehow, making them available in quantities desired and so on.

DR. JEANNERET: Yes, but you can't assign to the commercial publisher solely the job of housekeeping and servicing because by the very nature of the problem which you recognize -- and it is a very creative approach -- there are practical decisions to be made, financial decisions to be made.

Quite obviously at the present time it may be impractical, uncommercial even to proceed with a project that professionally would be very desirable but if you could integrate the publishers in this decision and understand this,

then you can say, "We must go ahead with this and it will have to cost 50 per cent more than it normally would sustain". It seems to me that if you are going to institutionalize the publishing function -- this is your recommendation in a sense -- that you would do better to institutionalize it by taking in the publishers than operating it in a vacuum apart from them because if you lose them you won't have any servicing mechanism at all.

Don't you think that there is a place for them in this conversation?

MISS CHANNON: Yes, I don't think that we were intending to absolutely exclude publishers from development. We did hope that there would be a kind of partnership evolving which would enable the needs of both to be met but it is difficult to say exactly how to do this until you try some new ways. Right now they are not quite in tune and we want to bring them back into some kind of tune.

MR. CAMP: Could I just clear something up? You said that the publishing decisions in educational fields based on the question of whether it would sell rather than is it needed. I have seen the teachers do all the purchasing. Are you saying they are buying things they don't need?

MISS CHANNON: Well, I think they are selecting from what is available. If

you want a pink auto and you have only got to choose between mauve and blue you would still have an auto.

DR. JEANNERET: Mr. Camp raised a question in connection with your point on page 7 about the awkwardness of securing copyright clearance and I thought you raised a very valid and practical problem and dilemma that you have there.

I wonder if a provision for compulsory licensing is not the best solution to it?-- Compulsory licensing would simply mean that there would be statutory provision and under certain circumstances use can be made for certain purposes on payment of a certain scaled fee, perhaps under regulations to be issued from time to time? This would get right through to the heart of your problem, I believe, would it not?

MR. FIEGER: Provided you can get people to submit the funds that they are supposed to submit.

MISS CHANNON: I think the problem is collecting little bits of money and there might be some other solution. For example, you could sell the Department of Education the a master copy at about half the price and not allow free copying of it, for example.

DR. JEANNERET: If you didn't have access to the relatively nominal sums, what

you mean to say is that you would need to have a fee at the expense of authorship and there is no reason for giving priority to any interest there with respect to their property but it is not an expensive amount and your problem is really, I am sure, that it costs ten times as much to get the permission as the permission itself?

MR. FIEGER: Yes, right, it is not the problem of the --

DR. JEANNERET: -- the fee or whatever it might be.

MR. FIEGER: Yes, it is the tracing down and going through the whole procedure.

DR. JEANNERET: Yes, that is intimidating.

Finally, on page 8 you are referring to the threatened disappearance of Canadian-owned publishing houses. You commented on this in one respect already and your concern. Are you recommending the substitution of government intervention in book publishing, or simply government support of Canadian book publishing? I want to be absolutely sure on that point.

MR. FIEGER: I think our basic position would be, if the Canadian publishing houses are having financial problems, then perhaps --

DR. JEANNERET: That you can take for granted.

MR. FIEGER: Then perhaps the government should step in with incentive funds, whatever you want to call them -- development funds to get them back to the stage where they can modernize their plants and meet the competition and then withdraw the funds, get them back on an economically viable basis.

THE CHAIRMAN: Would you pick a government, please?

MR. FIEGER: I think it is the responsibility of both the federal and provincial governments in the real sense, because the provincial governments are the ones who are involved in this educational area and there must be educational development funds provided from that source. I think federal funds in the same way can be used.

DR.JEANNERET: Thank you very much.

THE CHAIRMAN: Can I then pursue that because that is one of the areas that I wanted to ask you about. Does your Federation believe that there is a role for the federal government in this particular area of tax, research and things of this kind?

MR. FIEGER: I think what you are asking would be our stand on this particular role in the field of education, yes, I think we would firmly believe that there is a role for the federal government in educational development programs--

research, resources, back-up support and so on.

THE CHAIRMAN: Have you detected a federal presence in this area as yet?

MR. FIEGER: If it is there I wish it would not be quite so devious about its existence.

THE CHAIRMAN: I see. Would it be a recommendation of yours that we might, in our way if it is at all possible for us to do anything in this regard, encourage the federal government to become involved on a nation-wide basis?

MR. FIEGER: This whole question of the role of the federal office of education is on our agenda for our annual meeting this year.

MR. CAMP: Does your membership include Quebec, that is to say the majority of teachers?

MR. FIEGER: It includes the Provincial Association of Catholic Teachers but not the large membership of the French-language teachers in Quebec.

THE CHAIRMAN: I was interested in the approach of your brief which speaks, as many briefs have done, about the scale, if you will, of research and the scale input that educational material achieves in the United States and in one or two ways you speak of this highly. I wonder -- you say one or two things

which ring philosophical bells in this connection.

"It seems evident that the trend in education is towards a certain untidiness and indefiniteness and unevenness in the demand for resource materials."

I am not going to quarrel with that because I personally concur and I think it is one of the reasons that the textbook publishing sector of the Canadian industry is in difficulty, because of the untidiness and indefiniteness.

"It is inevitable that this should be so if the schools are to provide for individualization, independent study and the pursuit of individual student interests."

It seems to me that our society is made up of people living and working together as well as being individuals but this is the area where I detect a very strong input from the United States and I am wondering when you say that the popularity of materials prepared by companies outside of Canada which have been willing to experiment with new concepts, for example, transparency, slides and tapes, whether in this context there is any evidence at all of this that is going on that everybody thinks is so marvellous is really producing a result which is marvellous also?

MISS CHANNON: Would you like us to give you our criteria for the result? This

is the problem, is it not?

THE CHAIRMAN: Well, I wondered if you would comment on whether you think that because material is produced in the United States that it is good per se?

MISS CHANNON: No, absolutely not. In fact, a point that has not come up that maybe comes around the edges is, I think, a very evident concern in the United States and to some degree in Canada, that big business is trying to grab hold of education wherever it can get hold of the coat-tails and people are afraid of some of the things that are proposed and you find this happening in program instruction, for example, where people are trying to sell a product which is definitely shoddy.

DR. JEANNERET: Where has program instruction gone? That is bad business today.

MISS CHANNON: It has disappeared in what is called computer assisted instruction now, which is basically the same thing. I had an experience in Stanford in California where I was talking to the Computer Curriculum Company which is run by people who are active in developing CAI. They told me that they were doing a program in language arts which was very nice and the way that they did it was to take all the language arts textbooks in the United States, the most popular ones anyway, and pull out of this the

common denominator of curriculum and they fed this into their computer program which was very fine except there is simply no research evidence to show that learning all this grammar has any effect on how you learn at all.

DR. JEANNERET: That is skill, not learning.

MISS CHANNON: But really it may be developing the wrong skills.

MR. FIEGER: In reply also we have a brief statement on page 5 of our brief with regard to the innovations in teaching, our Hilroy Fellowship Projects. Would you be interested in us filing with you a copy of that publication?

THE CHAIRMAN: That would be most useful.

MR. FIEGER: We would be most happy to do so.

THE CHAIRMAN: A first-class brief, we appreciate you coming and responding to our questions. Thank you very much.

MR. FIEGER: Thank you very much for the opportunity.

THE CHAIRMAN: We will take a recess if we may for just a few moments.

---Recess.

SUBMISSION OF L'ASSOCIATION DES ENSEIGNANTS FRANCO-ONTARIENS

THE CHAIRMAN: We now have with us representatives of L'Association des Enseignants Franco-Ontariens. Mr. George Gauthier, President, Mr. Réjean Bélanger, Assistant Secretary.

Gentlemen, if you could touch the high points of your brief, we will discuss it with you.

MR. GAUTHIER: I think it is possible to speak in French and have translation of it.

The Franco-Ontario Teachers' Association is one of the five branches of the Ontario Teachers Federation. It includes French-speaking teachers in high schools and public schools of Ontario. The student population, which receives the services of our members, is approximately 90,000 in public schools and approximately 25,000 in high schools. In 1969 you have the figures in our brief and since then there has been an increase in high schools.

The F.O.T.A. has shown its interest in publications previously. It has encouraged authors in publishing texts and has aided in the production of teaching aids. Recently members of our Association have become aware of

the problems which we now face. In the brief, which we are presenting, it concerns mostly the situation of French-speaking people in Ontario. We have a few broad outlines which are linked with financial aid. First of all, the clients, teaching writers of French schools. Because of the small number of French students and because of numerous changes in the curriculum and the changes of school texts in class because now we no longer use one single text for day to day use, more and more a wide assortment of texts are used in classes which are available to students and students go from one text to another so that there are no more one single texts, but a series of books for groups of students who come into the class. Therefore, the number of texts is smaller.

Furthermore, in high schools we have more and more choices and because of individualization there are more possibilities and the small number of high school French-speaking students are dividing themselves into a series of choices. Therefore, the books are of small choice in this matter. They have competition with foreign publishing companies.

Circular 14, which gives a list of texts which can be used, is the Bible of our school boards and we must use the texts found in this circular. Therefore, there is always a danger of publishing a text if it is

refused by the authorities of the Department of Education and because the number of students is small, it is not profitable to publish a new text each year. Therefore, there must be a delay and this causes a wide number of expenses. Therefore, these factors influence the authors who very often are in intolerable situations to publish texts. They sometimes have to abandon their job or to publish or write their texts while still part of the school board. They cannot hope to profit from these, the production of these texts because of royalties and the sales and volume of sales.

The texts have also to be accepted by the Board of Education afterwards.

Actually, we are using a lot of our French texts from France and Quebec. Very often we observe that the cost of French text is very high, even when they are translations we have to pay $1 or $2 more than the original text in English.

First of all, and above all, in French schools we must use English and French texts both, since we do not have a sufficient number of French texts, which adds to the school board's expenses concerning French schools. Our recommendations, we recommend that the Board of Education retain its criteria for the approval of texts. We propose, however, certain changes. First of all, we would like

the approval of French texts to be made by French-language superintendents of the Department of Education. Currently, I think you know that we have a few superintendents at the curriculum level in Toronto. There are four of French-language who have to look after different matters, but they do not represent the final authority in the choice of texts, even if they are French texts. These texts are accepted by someone above them. The Deputy Minister -- I am not talking about the Deputy Minister or the Minister, but someone below them. When texts are studied, in order to be accepted, they are studied by different teachers and so the formulae used to evaluate them are made in English. Therefore, problems exist at the level of approving the French texts.

Furthermore, in Circular 14 all texts, be they French or English, are put together and we feel that there should be separate sections for French texts and another section for English texts so as to find them more easily and we can also note the small number of accepted French texts. Furthermore, on the local level the school principal must submit his school list to the superintendent. If there is no superintendent at the School Board, we would like if that list could be directly submitted to the French language superintendent of the Department of Education. This is the

first series of recommendations.

Do you have any questions in this section, or would you like me to continue the resume?

THE CHAIRMAN: Please continue.

MR. GAUTHIER: We found it very important, even vital for French education that the Department of Education set up a study commission on French texts. This commission could be made up of representatives of the Department of Education, professional associations and the faculty of education at the University of Ottawa representing universities or training schools for teachers and other interested parties. The mandate of this commission could be as follows:

Make a list of French texts available for French-Ontario schools, determine the most urgent needs, plan long-term needs, suggest in each case the adaptation, translation or the creation of French texts. We realize in certain fields there are English texts which are very good, which are very well prepared and which could serve when translated and adapted into French.

This Commission should also present guidelines for better cooperation between the Departments and for wider distribution of French texts. Because of the small number of French-speaking people in Ontario, we should have better cooperation between the different

provinces, especially the provinces where French is in a minority. We should suggest an efficient way of grants for French texts.

We mentioned previously that in French schools there were more texts needed. Therefore, we need them, and if French texts cost more, therefore, we should bear all this in mind.

In the following section we suggest a fund for texts, a special fund whose objective would be to financially aid authors and Canadian publishing companies. The Department of Education could ask the publishing companies to present their books which would not be profitable. At this time different Canadian publishing companies could be asked to publish texts and ask for subsidies from the government. This way we would respect the principle of free enterprise and still print texts which normally would not be published.

Concerning the authors, we would like the Department of Education, supported or not by federal departments such as the Arts Council or Council of Ministers, to pay salaries of teaching writers and financially aid authors who would be ready to sacrifice their free time and stay in the school council so as to write texts as well as paying special costs coming from printing. In order to publish these texts the School Board should grant leave without pay

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to these writers.

MR. CAMP: Without pay? Leave without pay?

MR. GAUTHIER: Right. This is leave without pay. We believe that the province or the Department of Education would provide the pay, in order to enable these teacher-authors to produce textbooks instead of adding the school board's pay, because in the case -- these authors could be, for example, you know, teaching in a very small school board, for example, because you don't necessarily get the best authors in the larger school boards and so on. A small school board could not possibly pay a person to free him.

MR. CAMP: Someone else would pay.

MR. GAUTHIER: That is right. The Department of Education would pay. I believe this is a bit different, but this is another way.

MR. CAMP: I understand. I am sorry to interrupt.

MR. GAUTHIER: That is okay.

Also, since we are speaking of protecting Canadian publishing companies, we propose that the federal government impose a special tax for companies in Canada who are not controlled by more than 50 per cent Canadians. More than 50 per cent is controlled by Canadians, there would be no tax

proposed. Furthermore, as the French-Canadian Teachers Association has mentioned, we advocate the publishing of small texts which would not be very expensive, such as pocketbooks or brochures, something that could easily be reproduced and these were our main recommendations.

DR. JEANNERET: This is a very interesting submission. At page 4, at the beginning, you are speaking of the risk of not receiving official sanction by the Department of Education which would permit a book to be listed in Circular 14. Among the lists of these books are they chosen from Quebec or Ontario?

MR.GAUTHIER: Here we are speaking of a text published in Canada or produced locally, for example, in Ontario, Someone who publishes such a text now is not guaranteed that it will answer the requirements of the circular.

DR.JEANNERET: You encourage French texts, French translations, prepared in Canada of English texts? You speak of difficulties in the past concerning Circular 14. Could you submit to the Commission a list of the efforts and the submissions you have made in an effort to obtain the approval of the Department which were not successful in the past? Have many texts been prepared with the intention of having them included in Circular 14 and have these texts been refused or is it a lack of encouragement rather for future preparation?

MR. GAUTHIER: In certain cases what can happen is that someone writes a text, he starts from nothing and in the past we have had people who have written texts and I don't actually know of cases where a text has ever been refused.

DR. JEANNERET: Were they refused?

MR. GAUTHIER: No, I don't know of any.

DR. JEANNERET: I think it is quite rare.

MR. GAUTHIER: What can happen is that texts are used in other places, for example, in Quebec. I think that what publishing companies in Quebec do when they publish a text is, to send a certain number of copies to the Ontario Department of Education and from there the department sends copies to six teachers who are in charge of studying them and submitting comments and that is where texts are either refused or accepted.

DR. JEANNERET: I think you are in favour of having the government appoint a deputy minister, as Mr. Poirier suggested this morning. Are you in favour of this?

MR. GAUTHIER: Yes. Until now French-speaking people have had no one responsible who could correspond to their needs and it is necessary that we have one person within a high framework who could make decisions and study the needs of French-speaking people.

DR. JEANNERET: Therefore, you need co-ordination between the two sides, and this might be a problem at certain levels. This is hard to say. We suggest an efficient way

of grants to allow school boards to buy French school texts. Today we were talking about the idea of separating aid for buying texts and other educational costs. Are you in favour of separating these two as happened before 1969?

MR. GAUTHIER: No, not necessarily. What is actually happening is that the federal government gives the provinces several millions of dollars which after have to go to the school boards in order to encourage bilingualism and I think that in the majority of cases this money is used for different needs. We would like a certain formula, perhaps a little stricter, which would allow French schools to have a higher budget when it comes to these expenses for texts.

DR. JEANNERET: It was suggested $3 per student in public schools.

MR. GAUTHIER: Was this not for libraries?

DR. JEANNERET: Subsidies for buying books.

MR. GAUTHIER: Is this not separated now?

DR. JEANNERET: No, it isn't. Are you in favour of separating this because it is hard to measure?

MR. GAUTHIER: No, I am not in favour of separating them but I think the Department of Education should provide subsidies or

supplementary subsidies to the school boards who have within their board, French schools. This happens in Ottawa where French schools receive more grants than English schools for buying texts.

DR. JEANNERET: When you speak of grants to allow the boards to buy texts, are you speaking of films and tapes et cetera?

MR. GAUTHIER: Yes.

DR. JEANNERET: Generally, would you like Ontario publishing companies to be more interested in the publishing of French texts? There is a question between the Ontario publishers which you would like?

MR. GAUTHIER: I think we could expect more from Ontario publishing companies, that they publish more texts, that they publish more texts. There is very good co-ordination at a higher level. That is why we would like to see a Commission within the Board of Education which would see to all the needs and from there I think we could establish a much better system for publishing texts, because if we wait for people to propose themselves for writing texts this will not work.

We need finally so that these books will become profitable and that they are published.

If you will allow me I would like to point out that one of the members in this room

had one of his texts refused.

DR. JEANNERET: You can give us the information in private.

MR. GAUTHIER: Mr.Belanger would like to speak.

MR. BELANGER: I would like to bring further clarification. You have just mentioned that publishers in Ontario don't understand the Franco-Ontario problems. I think the problem is rather economic. It is a question of supply and demand and for a publisher if he wants to publish it has to be profitable. I would like to come back to the part which we discussed before when you asked the question, are we in favour of the same policy for French and English texts and we answered, yes.

However, section C, which concerns the criteria for texts, in this section we have a suggestion which would allow a minority, the Franco-Ontarians, to go beyond the supply and demand and to allow the publishers to publish French texts. This is section C, which for us is very important. Such a section could not exist if nothing is done in this direction then I think we should have a different solution for Franco-Ontarians. This is not the ideal solution: It is not what we advocate right away.

DR. JEANNERET: Anyway as we have already noticed this morning problems of publishing for English Canadians exist and

these problems are much greater even for Franco-Ontarians.

MR. CAMP: The same but larger. Can you tell me if there is any difference, any significant difference, in the teacher-pupil ratio in the French language schools as compared to the English schools?

MR. GAUTHIER: No, basically it is the same ratio. We have to go in the same pupil-teacher ratio that the guidelines set out.

MR. CAMP: Something there got lost in the translation but I understood you to say that with regard to the submission of textbooks for approval or otherwise on Circular 14, someone higher-up decides other than the local school board or the supervisor and then you said that texts from Quebec, I believe you said, be submitted to a committee of teachers or a panel of teachers. Is that correct and they would make a recommendation?

MR. GAUTHIER: No, it is not really a panel. For example, if a book is produced in Quebec or any place else and they are interested in selling it in Ontario, what they do now, I believe, is send in so many copies of the textbook and there is someone at the Department of Education who sends out evaluation sheets along with a copy of the book to six teachers in Ontario.

MR. CAMP: They would be yours,

representing your membership?

MR. GAUTHIER: If it is a French textbook it would be submitted to some of our members and these evaluation sheets are then returned and they do study it also over there at the Department of Education.

MR. CAMP: That would constitute a recommendation, though, the evaluation, wouldn't it?

MR. GAUTHIER: Right.

DR. JEANNERET: There would be an academic appraiser, would there not?

MR. GAUTHIER: Right.

DR. JEANNERET: That may be in French or English, I suppose?

MR. GAUTHIER: Right, it could be done by an English-speaking person.

MR. CAMP: I am trying to determine the methodology of it. The book is evaluated?

MR. GAUTHIER: Right.

MR. CAMP: After which someone higher up who would not necessarily be fluent in either language for that matter, would make the decision?

MR. GAUTHIER: Right.

MR. CAMP: And the decision surely, though, would bear on the evaluation, would reflect the evaluation? Otherwise how could the decision possibly be made? I am

wondering on what basis your decision would be made other than on that basis, the evaluation?

MR. GAUTHIER: Well, when you do evaluate a book you know you can evaluate it on so many points. You can evaluate it on the print size, for example, or the pictures in it, on the cover and so on. So really some books might be rejected just because the binding is not good enough to resist wear or the amount of money for the books.

DR. JEANNERET: It could be historical inaccuracy , presentation?

MR. GAUTHIER: Right, if there are so many points.

MR. CAMP: Is there a particular area in the curriculum where a textbook you would say is especially lacking or adequate textbooks are lacking?

MR. GAUTHIER: This would be mostly in commercial at the secondary level, in technical, in science and mathematics, well, science we are getting more and more books in. In mathematics, we are not satisfied so far.

MR. CAMP: Where do these science textbooks originate principally?

MR. GAUTHIER: I believe most of these would originate from the United States and would be translated in Quebec.

DR.JEANNERET: Always manufactured here in Canada, subsequently?

MR. GAUTHIER: Right. Then, of course, we still have some trouble in other areas, for example, in social studies we are not satisfied at the elementary level.

MR. CAMP: In the commercial field there is a similar lack of adequate textbooks?

MR. GAUTHIER: Right.

MR. CAMP: In the English-Canadian field, there is a very heavy reliance on American material. It has been suggested in this whole area of translation that it would be a possible solution if the Department of the Secretary of State were to subsidize this on some national basis. I take it it wouldnot matter much to

you who did it as long as that factor of cost were removed, which is a pretty substantial part of the economic problem?

MR. GAUTHIER: That is right.

THE CHAIRMAN: Are you aware of any federal participation now in the educational research or translations, things of this kind, of which you have been speaking?

MR. GAUTHIER: I am not, but I believe that the Secretary of State might be interested in, you know, subsidizing someone who would go to France in order to do some research and prepare a textbook. I believe this is one possibility that already exists, but I don't believe there is any way we can get some money presently from the Secretary of State to produce a textbook in Canada.

THE CHAIRMAN: Do you consider that there should be a role for the Federal Government in this particular kind of area, such as research and development of texts in both languages and things of this kind?

MR. GAUTHIER: Right.

MR. BELANGER: I would like to point out that the Secretary of State has granted $50 million to the provinces for bilingualism. This $50 million goes directly to the provinces and cannot be used by the federal government for translation or texts. It is not used for this.

MR. CAMP: What is it used for?

MR. BELANGER: Pardon?

MR. CAMP: I understood you to say $50 million goes to the provinces but cannot be used for translations?

MR. BELANGER: It can be used for translation, that is a possible solution, but right now the distribution and the global sum, for example Ontario research uses $13 to $14 million. This sum is granted to the different Boards of Education who do what they want with it. If we conducted a serious study, we would see it is not used for our aims.

THE CHAIRMAN: Is this to go to the school boards because it is a requirement of the federal government that it be so used, or who is it that makes this direction?

MR. GAUTHIER: I believe it is the Minister of Education of each province who decides, but I believe most of it should go back to the school boards, and probably does, but still part of it could be kept at the provincial level to make sure that we do have, you know, subsidies, for example, in the production of textbooks.

MR. CAMP: It must be used presently to meet other priorities?

MR. GAUTHIER: It could be well used by school boards in any way possible.

MR. BELANGER: I would like to add another point, actually, to show you the

serious problem. Sums go to the school boards, and above that the Department of Education has imposed ceilings. Therefore, the results are that certain councils have money and it cannot be used and it goes back to the taxpayer.

THE CHAIRMAN: What we will do is investigate with the Department of Education in Ontario the whole question of the source of the funds and how they are being applied, because this is a matter of some concern to us.

With regard to the proposal that there might be a tax on companies which are more than 50 per cent Canadian-owned, is this a device that is being used elsewhere, or is it something which you have conceived?

MR. GAUTHIER: Well, I believe something similar is being done in Quebec at the present time.

THE CHAIRMAN: Your suggestion is that it be some plan or scheme which is similar to that which is being implemented in Quebec?

MR. GAUTHIER: This would be one way maybe to make sure that we do get enough to get Canadian-owned publishers and publishing houses and so on.

THE CHAIRMAN: I see.

MR. CAMP: It might have the effect of merely increasing the cost of the books to libraries and schools.

MR. GAUTHIER: This should be

implemented only insofar as it -- if at this time it is impossible to produce anything in textbooks, I believe this maybe should not be implemented right away, but ---

DR. JEANNERET: The Chairman raises a very good point, though. I presume you are not closely acquainted with the recent Orders-in-Council in Quebec, but if one did implement parallel Orders-in-Council procedures here -- there is no suggestion one way or the other about that -- then it would deny access to public funds to non-Ontario publishing houses to be parallel. This is different from non-Canadian.

MR. GAUTHIER: What I meant, this would be established, for example, on a Canadian basis rather than on an Ontario basis. This is what we have used in recommendation number 12 -- Canada, not Ontario based.

THE CHAIRMAN: Thank you very much, gentlemen. We appreciated your brief. It was very good and we appreciated your coming.

MR. GAUTHIER: Thank you very much.

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SUBMISSION OF ASSOCIATION CANADIENNE-FRANCAISE DE L'ONTARIO

MR. DESLAURIER Mr. Chairman, as President of the Education Committee, I would like to present you the people who have prepared the brief.

Mr. Jean Menard on my left, who is a Professor of the Ottawa University, who is a writer. On my right, Dr. Marion, who is a publisher and historical writer. On his right is Mr. Foisy-Desforges, who is a member of the Educational Association and who is experienced in publishing texts, who worked with Gage and Mr. Gerard Levesque, Secretary General of the O.F.C.A.

The brief we present does not concern school texts. It concerns book publishing for adults, that is for popular distribution and cultural distribution. I would ask Mr. Marion to present the brief of the Association to your Commission after the presentation of this texts, if you would like to ask questions in French or English, you are welcome.

MR. MARION: Mr. Chairman and Mr. Camp and Mr. Marsh Jeanneret, this brief is presented on behalf of the French-Canadian Ontario Association, known as O.F.C.A. Our Association's main spokesman of the French-

speaking community of Ontario concerns the social and cultural and economic and social interests of French Canadians in Ontario and traditionally has always been very interested in culture and education.

THE CHAIRMAN: May I interrupt for one moment? We read your brief and understand it and would like you to touch the high points and then we would like to discuss it with you. If you would touch the high points of the brief, we have read it and we understand what is in it.

MR. MARION: I will touch on the most important points. We talk of the invasion of American capital which preoccupies us as French-Canadians as much as English-Canadians. This is a link between French and English-speaking peoples of Ontario.

Secondly, we feel that the words of the past Governor-General, Mr. Vincent Massey, what he said was very important. Also the words of Vincent Massey concerning new Canadians, we appreciate their culture, we are in favour of developing this culture as much as possible, but, as Mr. Massey says, we have two founding races, French and English in origin. Their languages and cultures have a special and permanent place in the national scene. This is an historical fact, not a political judgment.

Along with Ramsey Cook, Professor at the University of Toronto, we say

that the French-Canadian minorities are not minorities like the others. These are our three main points. Of course, from this comes the fact that, the following fact: The most important of these French minorities, since it includes more than half a million French-speaking people, is the French minority of Ontario. We feel that it is the obligation of this French minority to protect and consolidate and develop outside of Quebec the French heritage as well as French culture.

Publishing is the province's responsibility. Concerning this we feel, in order to develop this French culture in Ontario the Franco-Ontarian minority could not accomplish this without the effective and permanent aid of the Ontario government.

Canadian publishing in Ontario situates itself in the North American context. You have already pointed this out, Mr. Chairman. It is a very difficult situation for English-speaking in Ontario and an almost impossible situation, as Dr. Jeanneret has pointed out for French-speaking people. Thus I cross over this. The life of the sheep which has several stages. These are general points which you have read and talk about and I am almost certain we are all in agreement on the difficulties of publishing of books in Canada in the French and English fields and especially in Ontario.

Nethercut & Co. Ltd.
Toronto, Ontario

Point 4, on page 3, French publishing in Ontario. Time has gone when French occupied a marginal place in Ontario, thanks to Mr. Robarts humanist policy. I would like to compliment Mr. Robarts on this. Because of his humanist policy, Franco-Ontarians now have the right to a French cultural activity in schools and in society.

This makes us forget or erase the past. Here I would like to observe that until now the Ontario Government has done almost nothing to encourage French publishing in the province. It has done little to encourage authors, French-speaking authors, of course. Therefore, this problem requires serious study.

On page 4 we recommend the creation of a Department of Cultural Affairs because provincial authorities have a responsibility of maintaining cultural Canadian views, not because of the department which thinks its first original duty is to nature and this is something that we are in accord with but we feel a Social Affairs Department would be even more important.

Point 6, on page 4, a French publishing company in Ontario. We have spent a lot of time in drawing up these paragraphs because a French publishing company in Ontario even if it is a need which should be fulfilled we know it presents formidable obstacles and I quote again, Dr. Jeanneret, almost impossible. These are mostly suggestions we make.

The seventh point on page 5, of recommendations, I come to the end of this brief. May I read these four recommendations, especially for those who did not have time to read them until now.

1. That the Ontario Government organize a Social Affairs Department which would in an efficient way look after cultural events in the province encouraging cultural aspirations of Franco-Ontarians, particularly in the field of book publishing.

2. That the Ontario Government would in a general policy, grant subsidies to authors who would submit a valid conscience for the publication of a French work.

3. That the Ontario Government grant literary prizes for the best works of the English and French languages, as in Quebec.

4. That the Ontario Government grant publishers subsidies for the publication of manuscripts whose quality had been established beforehand by a committee of specialized readers in these disciplines.

5. That the Ontario Government encourage the work of publishing houses in Ontario who are particularly dedicated to the publishing of French -- special subsidies and by the buying of books for free distribution.

Concerning this I would like to add a personal thought. For a long time there has been a publishing house in Ontario who perhaps do not publish texts of books but sections of books in French. I am talking of the University Press of the University of Toronto.

For about 30 years I have been

part of the Royal Society of Canada and each year the Royal Society publishes a report, a very large one, of several hundred pages and the French section is usually of 50 pages written only in French and published by the University of Toronto Press.

I have benefited from this myself, this publication is in very good French and very good paper and this company who I know -- I will not say how long I have known it because that might age it too much -- but Miss Halpenny is an expert.

This Royal Society for more than 50 years there is a French section published in Toronto, by the University of Toronto Press and it is a wonderful publication. Personally I would like nothing better than to have a French publishing company in Toronto which would have such an excellent service as the University of Toronto Press.

The list of the members of this committee are shown in an appendix. The Franco-Ontario recipients of subsidies in the arts section are the Social Affairs Department of Quebec. There are many Franco-Ontarians whose names are there. These people each year receive from Quebec subisiddies in one way or another, which is very good. We will accept money wherever it comes from, it has no colour, but would it not be more normal for Franco-Ontarians

to receive subsidies of the same kind for their work from the Ontario Government?

As Mr. Robarts said not very long ago, Mr. Robarts does not accept that Franco-Ontarians recognize Quebec as their mother country. The mother country, according to Mr. Robarts, for the Franco-Ontarians is Canada but it is normal that the children of Ontario be treated equally.

The second section of the Appendix, the English-Quebec recipients in the arts section who receive grants from the Social Affairs Department of Quebec -- a very interesting list which does not need comment.

Finally, the last section of the appendix, grants given to English public libraries in Quebec. Here, Mr. Chairman, I have finished.

THE CHAIRMAN: Thank you for a very good presentation. Is there anyone else who wishes to add anything before we ask a few questions?

I personally am delighted to see that the Province of Quebec is making grants because we are all in one country. Certainly the point that you have drawn to our attention indicates that possibly there could be some reciprocity in this regard.

Your brief will be sent by us to the Province of Ontario Council for the Arts

who are evolving for prizes, if you will, a competition which we hope will emerge eventually to ensure that they give full consideration to the suggestions in your brief and I am pleased myself to see that there is concern on your part for the matter of environment and culture.

There is a question of cultural environment but I am sure the Minister of Environment will not deal with the cultural aspects.

In any event, I thought that the matter of the suggestion of a cultural minister is one which is attractive and I am not going to ask any questions, my learned colleagues will do that.

DR. JEANNERET: I have not too many questions to ask. Your brief is very clear. I would like to point out concerning your first recommendation that the Ontario Government organize right away a Department of Cultural Affairs. I would like to say that among all submissions that we have received until now, this is the first time that this recommendation has been made and I think it is very, very important, very interesting. Frankly, I have been expecting it from the beginning of our meetings. Now I have found it and I congratulate you.

I do not suggest that we can

accept this but it is very interesting and we have Quebec as an example here in this field.

Your Association, Mr. Marion and Mr. Deslauriers, how many members and how many students are served right now?

MR. DESLAURIERS: The Association includes 500,000 Franco-Ontarians, It is a spokesman of the Franco-Ontario population and therefore it includes all the associations of teachers, administrators, it is like the mother association of all Franco-Ontarian groups and the main spokesman. Therefore, we are not speaking only of its educational level but also on the economical, social and political level. It is a group which depends on the Franco-Ontarians' interest in whatever field. That is why today we have presented a brief only in certain activities where other groups such as the teachers have not presented. We have presented another aspect. Generally we are accepted by Franco-Ontarians as being their spokesmen.

DR. JEANNERET: Are you affiliated with the Canadian Teachers' Association?

MR. DESLAURIERS: No. We co-operate with Manitoba and New Brunswick on a provincial level.

MR. LEVESQUE: When Mr. Deslauriers said that 15 or 16 groups affiliated with us it is not other provincial groups but groups

within Ontario such as the 15 popular groups.

THE CHAIRMAN: The reason I asked was whether or not you associate with other provincial organizations such as in Manitoba or New Brunswick.

MR. DESLAURIERS: Occasionally we meet once a year to discuss problems of common interest for French speaking but not only in education, in all factors of life.

THE CHAIRMAN: Our interest, of course, is not confined to Ontario.

DR. JEANNERET: I would like to express our appreciation of your submission. It is a very interesting one and I thank you very much.

MR. CAMP: I recognize as the principle that you are establishing and you said it didn't need any comment. I am interested in the fact, however, that the Ministry of Cultural Affairs in Quebec have done substantially more for the French-speaking people in Ontario than they have done for the English-speaking people in Quebec, if you compare the two. Nevertheless, if such a parallel organization were established in Ontario one would not assume that they would embark on the same path or follow the same precedent which is to say to send Ontario taxpayers' money to the beleaguered people of Westmount or anything like that.

MR. MARION: May I please answer

Mr. Camp? I am surprised to hear such things from you, Mr. Camp, because I have pamphlets which I will not read to you -- pamphlets proclaiming from half a dozen English Canadians, Mr. Johnson, Mr. Ryerson, people who say that for a hundred years since Confederation the English minority in Quebec has been the only minority who has obtained justice, not only justice but magnaminity since 1867 to 1967.

1
2 [illegible]. All English historians, the most
3 eminent ones, Mr. McArthur of Queen's University,
4 Mr. Trother from Queen's and even Mr. Brown from
5 Toronto, state that the only minority in
6 Canada that has been treated with justice and
7 generosity has been the English minority in
8 Quebec.
9 I know that for a few years
10 since the St.Leonard incident, things are
11 not going as well. They are not functioning
12 normally, but that has been only for two or
13 three years, whereas we Franco-Ontarians, since
14 regulation 17, or even from the beginning of
15 Confederation for 100 years -- I am a Franco-
16 Ontarian and quite often I heard the cry from
17 Quebec "One hundred years of Confederation,
18 100 years of injustice". That is Quebec's slogan
19 and in agreement or not, I will not say I am
20 not a Quebecker -- I am a Franco-Ontarian and
21 I say for us Franco-Ontarians, I have lived
22 as a Franco-Ontarian for more than 70 years and
23 for more than 70 years have paid my taxes to
24 separate schools, whereas for 100 years the
25 separate schools have been almost bankrupt. I
26 say that the slogan "One hundred years of
27 Confederation, one hundred years of injustice"
28 is a slogan which suits me perfectly as a
29 Franco-Ontarian and all other Franco-Ontarians.
30 MR. CAMP: I now understand why

you said it didn't need any comment.

MR. LEVESQUE: When you said that Quebec felt the Franco-Ontarian helped the Franco-Ontarian minority more than the English minority, you have to add together the two appendices, 2 and 3, to have the total English minority worth of funds. We totalled the library sums and the other societies and you see there is quite a difference.

I am sure that if you totalled the aid from education ministers for libraries, French libraries in Ontario, you would not have the same total.

MR. DESLAURIERS: Our recommendation for the Social Affairs Department was discussed at length within our group. We thought the Social Affairs Department would have more importance than the Arts Council now has. We do not quite know how yet the administration of the Arts Council works, but we think a group which would have to answer in a political way to the population would work better than the Arts Council, even though we do not right now advocate the abolition of the Arts Council.

MR. CAMP: The Arts Council could be very well incorporated into that. As you know, the Chairman of the Commission has been urging the Arts Council to greater efforts and among the things that we had hoped they

might consider doing are contained in your recommendations. I, like my distinguished colleagues, I have no questions to ask. Most of them are answered in the brief, and I appreciated the opportunity to hear it and appreciate ---

MR. DESLAURIERS: Mr. Chairman, on behalf of the Franco-Ontarians, we have several briefs to present and we would like to congratulate you on the French-speaking aspect of this. It is the first time we have been invited to speak in French, so on behalf of the Franco-Ontarians, we would like to thank you.

DR. JEANNERET: We should live in Ottawa with the Ontario government in Ottawa.

THE CHAIRMAN: Thank you very much, gentlemen.

SUBMISSION OF CARLETON LIBRARY EDITORIAL BOARD

THE CHAIRMAN: We have now representatives with us from Carleton University, the Carleton Library Editorial Board, Dr. Farr, Dr. McDougall, and Mr. James Marsh.

Gentlemen, if you could talk to us about the major points of your brief, we would like to discuss it with you. We have read

it of course.

DR. FARR: Thank you, Mr. Chairman. I think there is very little we could say at this stage in elaboration of the brief. I perhaps could make two points that I think are important. We are the editorial directors of a paperback series now running to 56 volumes, which endeavours to reprint significant works ---

THE CHAIRMAN: We don't think you would have to be registered.

DR. FARR: I am sorry.

THE CHAIRMAN: It doesn't matter.

DR. FARR: I merely wanted to state that our interest is in a galaxy of disciplines. We do have a multi-diciplinary series operating in the six fields, in history and the social sciences, and therefore, we attempt to give as wide coverage as possible to areas of concern in Canadian life and institutions.

As well as that, we have the aim of maintaining the titles in our series in print so that we have to seek out works which we feel will be significant works which will continue to be in demand by university students and others interested in these topics. This imposes, I think, a further discipline on the selection that we have to undergo, but I think it does cool our attitude towards the selections.

What we have done in this brief, Mr. Chairman, is to simply list a few topics that concerned us as editorial directors of a Canadian series. Some of these topics are of quite general interest and we think they concern the publishing industry generally. Others, of course, are quite specialized and relate to our particular concerns. We would be very happy to answer any questions which you might have or your colleagues, on our brief.

THE CHAIRMAN: I have one or two questions which I might get out of the way so I can allow my colleagues to proceed. I wondered, on page 3, in relation to your suggestion that a program of subventions be set up by the Government of Ontario to make possible the publication of Canadian titles of this nature. Isn't it really a function in such a program of subventions to be instituted, isn't this really the responsibility of the federal government on a nation-wide basis? Are we not dealing with a nation-wide situation?

DR. FARR: Yes, I would agree entirely. The Canada Council obviously has various programs in this area. They do not all concern the particular nature of titles we are interested in, but I do not see if such a program were properly coordinated with the federal programs, that any harm would be done. In fact, I see a good deal of advantage in having

various types of subventions available, perhaps differentiated by the nature of the subject.

THE CHAIRMAN: Perhaps you are saying that there could be two sets or levels of subventions: one by each of the provinces, if it wished, but also the federal government as well?

DR. FARR: I am certainly not suggesting the federal presence be withdrawn from this important area.

THE CHAIRMAN: Or that it should not appear.

DR. FARR: Not at all.

THE CHAIRMAN: If you don't appear, you can't withdraw. That is just an observation.

I wondered, too, whether on page 5, in connection with the question of a translation:

> "The costs are high -- so high, indeed, that the Board recognizes that it may be necessary to establish a provincial or federal translation bureau or agency in order to effect economies in this important work."

I wondered if you though this might be an area where perhaps Quebec and Ontario, as provinces might join together in a joint undertaking, whether

you thought that this might be an appropriate sort of amendment to this suggestion?

DR. FARR: Yes, indeed, Mr. Chairman. Again, we recognize the very large task in front of the provinces and the federal authorities in Canada in respect of translation and again, with proper coordination of effort, I can see no reason why both levels of government should be be active within this field and, certainly, provincial cooperation would be most beneficial. We have made some efforts to secure this sort of cooperation on a private level with some modest success.

THE CHAIRMAN: Yes. You make a suggestion on page 9:

> "The Editorial Board feels that a careful study should be launched by the Government of Canada into the conditions governing the international trade in printed materials."

Then you talk about --

> ". . . obstacles interfering with the possible export of Canadian books are found to exist."

This is something we are interested in ourselves, and are going to be undertaking studies on as we proceed. We hope to gain the cooperation of the government of Canada in this particular regard, because we want to know what obstacles do

exist in a real sense, because we detect that there are very substantial obstacles, particularly to the south, which should deserve consideration, as we try to open that market.

I think we have seen enough evidence to realize that the market to the south is enormously difficult for Canadians, or rather the Canadian market for people in the south is absolutely wide open.

DR. FARR: I am delighted to learn that. I think this is a most important area of investigation, Mr. Chairman.

THE CHAIRMAN: I have no further questions.

MR. CAMP: I am intrigued just by a reference in your letter to the executive secretary of April 15th in which you say:

> ". . . not all the members of the Board subscribe to all the recommendations . . . "

Having read them, I don't detect, to me at any rate, any great possibility of controversy. Will you satisfy my curiosity by letting us in on the secret of your deliberations as to where the controversy was?

DR. FARR: Mr. Camp, after a year at Queen's University, you should appreciate how individualistic academics are and to get them to append their names to a seemingly innocuous document is often a considerable

achievement.

MR. CAMP: I didn't mean to suggest it was innocuous. I meant to suggest it was sensible. I wondered what if it was your exposition on page 3 with regard to the Board emphasizing that if the govermment is going to -- if any government is going to assist publishing houses, that it do so on some basis of its Canadian publishing program.

DR. FARR: You are quite right. That is the area where we had to work through several drafts before we reached a consensus. This suggestion, which appears to me to be a practicable one, was one which met with the approval of my colleagues on the Board. That is the only controversial section.

DR. McDOUGALL: May I just add a note on that? There is nothing sinister about the withdrawal of certain elements of support here. The name of Harry Johnson will be familiar, for example, to the Commissioners ---

THE CHAIRMAN: Harry Johnson is a resident where at the moment?

DR. McDOUGALL: Chicago. He has been there for quite some time. I merely mention that because, in other words, it is an argument against economic nationalism. That is surfacing to some extent here.

It is really nothing more or less than that.

MR. CAMP: I did not imply anything sinister. I am merely interested in -- we have the same trouble ourselves and there are only three of us here in arriving at a consensus sometimes.

THE CHAIRMAN: Oh, not that often.

MR. CAMP: I am sometimes lost in the phrase, "financial support" for titles which are not commercially viable. This would apply substantially to university presses and highly specialized publishing operations, rather highly specialized publishing because there are all kinds of things that might prove to be not commercially viable in the trade field.

DR. FARR: There is assistance available from the Canada Council through the Social Science and Humanities Research Councils for original manuscripts of a scholarly nature. Our interest is not so much in that sort of publishing as in the printing or bringing together of material, some of which has been quite inaccessible and very often these works, although important in themselves, are not going to have a wide sale and that is the sort of title that we would hope more support might be forthcoming for.

MR. CAMP: You mean library sales, possibly?

DR. FARR: Yes, indeed, and some

straight sales.

MR. CAMP: I just have one more question to improve my education.

On page 4 you talk about assistance to cover the extraordinary costs in bringing out new editions of Canadian works. Would you elaborate on the word "extraordinary"?

DR. FARR: Well, it perhaps is a little stronger than might be necessary. What I had in mind would be costs over and above the normal publishing costs, translation costs or the costs of providing supplementary material which might make for a muchmore useful edition of a particular title but which a publisher might be reluctant to provide because of the additional burden that this would impose.

MR. CAMP: The editorial costs?

DR. FARR: Yes, the editorial costs mainly as well as illustrative printed material. I think it is well known that maps and charts and so on are very useful in many types of works and that was really what I meant by "extraordinary"-- over and above normal publishing or editorial costs.

DR. McDOUGALL: The term "University Press" was used. I am not quite sure whether Mr. Camp is suggesting that we are University Press. If that is so, it needs correction because this is not a university press arrangement

and the whole series is not conceived of in the terms as a series produced under a university press arrangement. It is a volume market essentially, it must reach sales of at least 2,000 a year on individual titles before it is going to pay its way. It is not the publication of academic works in the normal sense of the word. This is why the market must be large. This is why the Marsh 1. element tends to come in because it is only as you push to the higher rungs where you can afford to put $5,000 and $10,000 in an edition, it is only at that level that the term "viable" becomes appropriate. This is a gloss on the word "viability". It means you must have volume and as you push up to volume then it is also a gloss on the word "extraordinary", because it is an extraordinary type of publishing venture and at a certain point it is very dicey whether you can come in or not because you just may not get your 2,000 or 4,000 sales unless you can keep the price down, shall we say, and if you put in certain maps and diagrams and are going to raise that price above a breaking point, you may just lose that crucial volume that you need to make a given work go.

MR. CAMP: You must benefit though from some form of subsidy direct or indirect because of your association with the university, do you not?

DR. FARR: I think the only subsidy we have -- and it is a considerable one, I suppose -- is that six or seven members of the faculty have devoted their time to serve as subject editors in the series and the university this year is providing some of Mr. Marsh'a salary as executive editor but there is no capital or current subsidy given from Carleton University.

MR. CAMP: So it is almost a labour of love?

DR. FARR: Indeed, very much so.

DR. JEANNERET: I would like to ask a few publishing questions partly to find out if it is a labour of love for the publishers too.

I thought your history of the Carleton library was fascinating. I couldn't find in it anything that indicated whether or not an average sale -- and I put down 1,000 and Dr. McDougall just said 2,000 -- whatever it is per year, I think you said between 3,000 and 20,000 per total. I couldn't find out whether or not this sort of sale has made the venture commercially self-liquidating for McClelland & Stewart. There is no question about the editorial importance and quality and usefulness of the project but would you comment on the practical economic question, the question

of economics of publishing that is involved there? Has it met budget in sales and has the budget been self-liquidating?

DR. McDOUGALL: So far as I know -- and my curriculum comes only up to a year or so ago -- it has been self-liquidating. I think you know yourself, Dr. Jeanneret, that some things are written off against other things. There are some costs that go on anywhere.

DR. JEANNERET: It is a wash operation?

MR. McDOUGALL: Yes, it is very difficult to isolate and say, "That is the Carleton library". On the whole I know that Jack McClelland has been happy with it at various times when I questioned him closely about it.

DR. JEANNERET: We might be saying different things. Within the limits of the Carleton library, is it self-liquidating or not? There couldn't be any costs there written off against anything else, if normal costing methods were followed and we particularly hope they were.

DR. McDOUGALL: I think the answer is yes, it is self-liquidating.

DR. JEANNERET: But marginal?

DR. McDOUGALL: Yes.

DR. JEANNERET: Necessarily. You alluded somewhere in your brief to grants received. Could you sketch just very briefly what

kind of grants have been received to assist the library at this time, not a detailed list or anything?

DR. FARR: I guess our principal benefactor has been the Canada Council. At the very beginning of our project they gave us support to make a survey of titles that it might be desirable to reprint and we did a certain amount of travelling across Canada in that connection and conducted a questionnaire. Then, also in the early years we received some support from the Canada Council for two-way translations of a couple of things, most notable the essays on French Canadian Society edited by Rioux and Martin. Then for some supporting material, a small number of maps and charts and so on in some of the earlier volumes,we have also received some modest support from private foundations which again has gone to make the volumes more adequate in terms of their usefulness to the undergraduate but I suppose most of our money from outside sources has gone for translation.

DR. JEANNERET: You are talking about, I suppose, $1,000 here and $2,000 there in the early stages particularly, but latterly you have not been securing these grants?

DR. FARR: No, we have not made application for any support from any federal agency latterly.

DR. JEANNERET: At page 8 you call for the easing of the conditions for the issuing of licences, particularly under Section 14. I had not been aware that there were many occasions of Section 14 being invoked but you suggest in your brief, without referring to it in detail, that the capital involvement here, the capital commitment is rather onerous. I was double-checking it and it is indeed 10 per cent of 1,000 copies list price. We are not talking about a very large amount, I think a minimum of $100, is that not right? Do you find this is a possible barrier to proceeding?

DR. FARR: It is some time since I think I consulted the Copyright Act. I thought you were required to deposit with the Minister administering the Act a royalty in effect for the entire printing.

DR. JEANNERET: I think I am correct in saying -- I have it here but unless there has been a change in a later edition or issue of the regulations I think it is 10 per cent on 1,000 copies minimum $100 but it can't be a very heavy amount.

DR. FARR: Well, then I perhaps was not consulting the latest edition of the Act. I thought I was unfortunately.

DR. JEANNERET: I would like to ask one question, and I did not check this and I am basing the question only on my recollection of

copies I own -- I don't have any copies right here -- where do you manufacture these or where does McClelland manufacture these?

DR. FARR: They are printed and bound in Toronto.

DR. JEANNERET: And set type too?

MR. MARSH: Yes, set type too.

DR. JEANNERET: Pretty well through the piece they were all Canadian?

MR. MARSH: All of them.

DR. JEANNERET: That is quite an accomplishment economically.

MR. MARSH: All the same company.

DR. JEANNERET: I have a company that has been doing it, yes. One other question: Your recommendation for long-term loans for Canadian publications -- it is "Publications" I think on that "publishers", is it intended to be confined to Canadian-owned publishers, this recommendation?

DR. FARR: No.

DR. JEANNERET: It was a little ambiguous in your brief.

DR. FARR: It is the proportion of a publisher in Canada's output which is distinctively Canadian.

DR. JEANNERET: It is Canadian publishing, not Canadian publishers.

DR. FARR: Canadian publications, right.

THE CHAIRMAN: This would be part of the decision that the jury of which you speak would be able to make as to the Canadian content, if you will, which would warrant participation?

DR. FARR: I don't remember that we had made any recommendation regarding the determination of Canadian titles. I don't think we touched on the mechanism by which these grants might be supplied.

DR. JEANNERET: Do you know anything about the distribution problems of this series as a paperback series through newsstands and news companies and the like? This may not be your department, yours is a creative function?

DR. FARR: Perhaps I will ask Mr. Marsh if he can throw any light on that subject.

DR. JEANNERET: Have you encountered obstacles?

MR. MARSH: Our books are almost entirely distributed to universities and some in book stores. We have a fair book store sale. Is that what you are asking?

DR. JEANNERET: What about newsstands?

MR. MARSH: As far as I know --

DR. JEANNERET: You are concerned yourself with the details of marketing?

MR. MARSH: No.

DR. JEANNERET: This is something we really want to know more about.

Nethercut & Co. Ltd.
Toronto, Ontario

All I can say is that I hope, in due course you will be able to include Canadian classics in the colonial office in Canada, or something like that, if the series goes that far.

MR. CAMP: How do you determine your publishing program annually?

DR. FARR: McClelland and Stewart has, of course, a representative on our Board who comes for our Board meetings, and Mr. Marsh is seconded to the university from McClelland and Stewart and is with us for a time and, of course, sits in on our Board. Essentially, the decision is taken by the Board of Editors and we have had the most harmonious relations as far as the decisions are concerned with our publishers.

MR. CAMP: To all intents and purposes you are independent of any editorial direction?

DR. FARR: That has been the practice.

MR. CAMP: You are at least breaking even, then?

DR. FARR: Yes.

THE CHAIRMAN: That is significant at least.

DR. FARR: This series has existed now for 8 years and the provinces show no interest in dropping it.

MR. CAMP: If there is a profit,

does some portion of that go to McClelland and Stewart, or is it entirely retained within their own organization?

DR. FARR: It is seen as a commercial proposition. I don't know the financial arrangements aside from a proportion of the royalties that come back to the university. I think you would have to ask the officials of McClelland and Stewart if they are to appear before you.

MR. CAMP: We are waiting.

THE CHAIRMAN: Gentlemen, thank you very much.

DR. McDOUGALL: I might just add something that is not in the brief at all, but this is on my own account. The question has come up already in your own question about the federal presence in relation to the provincial presence. It remains a bit of a mystery to me how this type of inquiry can really be held to a provincial level. Amongst many of the things that are said that are wrong with federalism, one thing that is right about it is right at the heart of this very problem where we are now. It seems to me publishing is essentially a national business and, when you raise the question of translations, for example, as you did a moment ago, you suggested a possibility that Quebec and Ontario might coordinate on this. I would think it must be wider than that. There is a

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tendency in Central Canada to think it is the whole thing. There is publishing growing in this country very rapidly, it seems to me, on the west coast and the east coast, and some of the most vital work being done in the country is there rather than here. These are gratuitous remarks. Please excuse them, but I could not go away without saying how important this is to me, that this extension be kept in mind.

THE CHAIRMAN: I am glad you returned to it because a return to it indicates, of course, there are major problems in relation to the whole matter. I think that, so far as we are concerned, we are interested in seeing the federal government's participation in many areas where their absence now exists. We think there will be an opportunity, if they wish to seize it. On the other hand, we get into this business of saying "It is Quebec and the rest of Canada" kind of thing. This is always a problem as well. We, of course, in our work, have been looking -- I think we are somewhat pragmatic in our approach -- we so far have been. We are looking for evidence, as we move along, that the federal government is interested -- we think they are interested, and we are now looking for some evidence, and we hope it will be forthcoming. There may be difficulties in one department communicating with another, which always happens.

In any event, we extended to them every offer of cooperation that we, as a small, little group, can put forward. We are looking for responses to that. Maybe they will come. I don't know, but in any event, we appreciate your remark in connection with this.

Thank you very much, gentlemen. We appreciate very much your coming.

SUBMISSION OF PALM PUBLISHERS LIMITED

THE CHAIRMAN: We have with us now Mr. Robert W. Keyserlingk, President of Palm Publishers Limited. We are a little delayed, but I hope you are patient. We have read your brief and we would be obliged if you would touch the high points you wish to stress, and then we will discuss it with you.

MR. KEYSERLINGK: Mr. Chairman, if I may just limit myself to maybe underlining the points you have read, the one I think is important is (a) the very definition of what is Canadian literature. In other words, the encouragement of a book for people or by people. I think that is rather an important thing because there we begin to touch on the whole question of

subsidies and grants, whether there is an interest in producing a book because the people granting it think it is advisable, or it is a national or even provincial requirement. In the educational field it is much easier because we have standards of pedagogy which are made up by the Provincial Minister of Education. I think there is a potential danger that one gives subsidies in directions of opinion-forming. This, I think I tried to underline is a particular difficulty in a country of many regions. It is true, as the French brief emphasizes, there are two basic languages, but there are still a large number of cultures merging into the scene whose interests would be different from other streams again. So this is the one difficulty, I think, when we come down to the general picture of Canadian development.

Against that stands a general interest which would be the same, I should think, not only throughout Canada but even throughout the English-speaking world. That is where the general book is very largely in the hands of the publication of the large houses in the United States today and in Great Britain.

In other parts of the English-speaking world -- I am restricting myself to the English-language section of book publishing -- there, I think, we are at a disadvantage for two reasons: One of the reasons being that they

have a very strong merchandising possibility. You, Mr. Chairman, just mentioned a little while ago, it is fairly well an open field for them and a closed field for us. I think there is another point in this connection, and that is that some of our greatest contributors to Canadian literature -- I am talking of authors now -- are very happily ensconced in the laps of some of the English and United States publishers. Their production, I presume, is a contribution to Canadian literature as such. In other words, we have (a) the books, the authors, and the other thing is mechanical or economic jurisdiction of a publishing house.

Being a Canadian publishing house myself, I would, at the same time, hate to think that the contributions made by some of the big non-Canadian publishing houses to Canadian literature were any less than those of my house. I would say they are far in excess of it. I think in contributions to Canadian literature we have to keep the two things separate.

The last point on which I touched, which you saw in my brief, was the number of things which, as against grants and subsidies, could be taken purely on a legislative basis by the Canadian government for the Canadian market where I think there is quite a field. I am talking of postal rights, I am talking about copyright legislation, which I think were

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emphasized by quite a few of the previous briefs too. I think, as one publisher mentioned, the milking of the Canadian market by outside selling of books, could be done by Canadian firms and, at the same time, assist them in their publishing programs. I think those are the main points I would like to underline.

THE CHAIRMAN: I am glad you touched on the sort of broad makeup of the people certainly in the rest of Canada, outside of Quebec. I was concerned because you had touched on those of the Empire Loyalists descending on Central Ontario and I didn't know which Empire -- perhaps the Roman Empire -- we have so many Italians now and so many others from other empires. There is a diffusion of those who are the centre core in Ontario.

I wonder if you have a few questions, Dalton?

MR. CAMP: You have an operation in Montreal as well?

MR. KEYSERLINGK: It is in Montreal.

MR. CAMP: What is your reaction to the legislation recently in Quebec, and what is the effect on you?

MR. KEYSERLINGK: Actually, the decision, the legislation in Quebec, is very much in line with a number of the briefs that have been presented here. The question of books being sold to the Recipient in the form of

institutions and educational libraries and hospitals, placing their orders, and they are very extensive, through Canadian companies, and in that particular case, it is Quebec companies. It leads me to say, I have been a licensed bookseller in Quebec itself. I have felt no hardship about that law, but at the same time, being in that business, I also know there is no hardship to any book publisher selling any book, whether Canadian or foreign book. It is really a jobber's regulation more than a publisher's regulation.

DR. JEANNERET: While you are on that question, could I ask you -- one Order-in-Council affecting publishers is not clear whether or not an Ontario publisher selling books prescribed, shall we say, in the Protestant schools in Quebec in English, as has been the standard practice, is under disability now? On the face of it, he is under a complete disability. If it were channelled through a Quebec publisher as his representative in Quebec, presumably this would be permissible, but it seems to me to be pyramiding the costs. Could you comment on how that is to operate for our information?

MR. KEYSERLINGK: Yes. As a matter of fact, we have always been doing business with the Protestant School Board on certain of our own books or books we represent

exclusively. However, Toronto books, which we handle for a number of the other school boards throughout the province, have now all had to go through -- not necessarily our company, but companies which are licensed.

DR. JEANNERET: A publisher?

MR. KEYSERLINGK: A publisher, they call it a librarie, which is a bookseller, which I think would be the best translation.

Back in 1967 we obtained our licence as a licensed librarie. It is a theoretical thing but a precaution which I think paid off. I think there are three or four of us in the English field, the Montreal Book Room, Quality Books, ourselves, and Renauf.

What is actually happening is that all of the other school boards have been buying mostly under the bidding system and the bidding system has really permitted, in the English field, merely a margin which would make the transportation of handling costs and collecting costs worthwhile to the publisher. It would be somewhere in the vicinity of 10 to 11 per cent, maybe 8 or 9, if one wants to very much go to the bottom. The Montreal School Board would buy books, let us say, from a Toronto publisher. They would pay transportation, they would pay the handling and distribute to 56 different schools by truck and so on. Being rather concentrated, the Montreal Protestant School

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Board would have no collection problem from its schools, but the collection problem, even though a Toronto publisher in Granby or Sherbrooke or somewhere of that kind, could become quite serious.

In the Catholic field it had been happening, with a result by the time you took transportation and handling costs and the collection costs -- it might interest you that we just received a cheque yesterday for some books we sold in 1968 for which we had to pay Toronto in 1968.

So I mean those are costs involved. Now, there might be a marginal distinction to the Protestant School Board and to the present situation because they will be getting that service thrown in and the guidelines have not yet been issued but the Quebec Government is probably going to set guidelines that it is a net price plus 7,8,9 or 10 per cent or whatever percentage it is for handling costs.

DR.JEANNERET: The Toronto publisher will sell it to the Montreal or whoever it is, book seller?

MR.KEYSERLINGK: That is right, and he will make a living but anybody can sell in Quebec without any restriction. It is only the method that is different.

MR. CAMP: You are in favour of the principle of long-term loans to publishing houses by government?

MR. KEYSERLINGK: Yes, in line with the general approach to industry in general which has been done in various cases by the country considering the industry important. We are having that with shipbuilding industries, we have been financing certain other industries, the textile industry through protection. I am in favour of it inpreference to specifically chosen subsidies or grants because this leaves the decision and the risk-taking still in the hands of the publisher while the other ones leaves

a choice of the material which is to be published not in his hands but it becomes a sort of a printer's job.

MR. CAMP: Nonetheless it is true, you say that it is the publisher not the government that actually assumes the principal risk of success or failure but it is the publisher who assumes the risk of success but it is the government who assumes the risk of failure?

MR. KEYSERLINGK: If the publisher would probably be successful then the government would get its recompense by assisting an industry that is viable and also obviously collect some taxes from them in the meantime.

MR. CAMP: Yes, but we have a number of instances in Canadian publishing where viability is in some question, in fact the viability of the entire industry is in some question, give or take the odd exception?

MR. KEYSERLINGK: Yes.

MR. CAMP: I just wonder if you could expand on the statement that these loans should be on a business basis? I keep trying to look for the criteria which a government or a board should establish in order to make loans.

MR. KEYSERLINGK: I would say that the commercial viability of the enterprise is the first prerequisite to any of those, to any loan.

MR. CAMP: In which case it doesn't need a government loan?

MR. KEYSERLINGK: It would need the government loan at low-interest rate. It is really on the interest rate that the emphasis is being set. In other words, when we had to operate at a certain time, paying off this fellow, printing and the slowness of turnover which exists, so when the bank rate goes up to 9 per cent it is very difficult to do that, especially when you have to turn over your stock maybe in three or four years, and 9 per cent instead of 7 per cent interest to the bank to pay.

MR. CAMP: So, in fact, what you are saying is, that the government should not lend money to a publishing house that a bank would not: It should only loan money at lower rates?

MR. KEYSERLINGK: Very definitely.

MR. CAMP: So it should not assume any greater risk than, say, the bank?

MR. KEYSERLINGK: No, only to give financial accommodation of a cheaper rate as it is doing in many other cases. The construction business, for example, is one place where I think certain privileges are being given.

THE CHAIRMAN: That is very interesting, because what we have been told from time to tim

is that the banking business, for example, will not provide to publisher X a line of credit or a loan: They just say "We are sorry, we won't make such an offer",and then the next question is whether the Industrial Development Bank will get involved and if that does not apply then the next question is whether a particular industry, whether it is publishing or otherwise, whether it is key as you put it, then the question is whether it is in the interests of the country to still nevertheless see the particular industry maintained. Do you think that that kind of a consideration must be kept in mind in relation to the loans which you speak of approvingly here?

MR. KEYSERLINGK: Mr. Chairman, I think we have to make one distinction for the publishing industry insofar that every publisher is in a way a contributor to opinion-forming. He is in the business of spreading information or he is emphasizing certain points. Therefore, it is not quite the same as making a general across-the-board rule for the textile industry or the shoe manufacturer.

THE CHAIRMAN: So you think that the publisher, therefore, is one who should deserve a priority in our society?

MR. KEYSERLINGK: That is a matter of government policy. I would personally consider it very dangerous, however, if the

government began to subsidize publishing which has to be done through a publisher, because obviously the opinion-forming would maybe be more attractive then. I think it has been submitted by, I remember, Mr. Hughes in his report that a very dangerous thing is that the minute the publishing gets subsidized that not by general rule, but by the easing of conditions for all publishers, then you begin to go into a specific publisher.

MR. CAMP: I don't want to argue on semantics but in fact a loan on what would be considered in the commercial field on artifically low rate and an artificially long-term is a form of subsidy. It is merely a question of how you are going to apply the assistance but it is a form of subsidy. If you loaned money today at 4 per cent when the rate is three times that, you are subsidizing the recipient of the loan?

MR. KEYSERLINGK: The difference would be, I think,Mr. Chairman, that I would be in favour of a low rate of interest which would be subject to the industry but the criterion should be its economic viability and open to all publishers with an equal balance sheet to show.

MR. CAMP: Open to all publishers whether or not they are Canadian-owned?

MR. KEYSERLINGK: No, I would not

say that, the other ones through available sources that we have not got. Therefore, I think under the terms of reference of this question I would say, no, this is to encourage a Canadian-owned publishing industry but it should not be a distinguishing mark for a publisher. All should be open provided that all can conform to the requirements of commercial viable things. Then I think you would not have a subsidy of a publisher or his opinion: You would have a subsidy of an industry considered nationally if necessary.

MR. CAMP: I just have one more question and it has to do with what you say is the main point you wanted to emphasize and I want to find out whether or not you are seriously trying to tell us something. You talk about trends which urge direct government intervention in ownership and ownership controls. You say these are always dangerous to commerce and repulsive to the investor of capital. They are repulsive to the investor if he is interested but not if he isn't and you say this conjures up aspects of zenophobia reminiscent of Hitler and Mussolini.

How do you mean government intervention in ownership controls? Do you mean that the government should loan money carte blanche and without conditions?

MR. KEYSERLINGK: I am thinking

more in terms of becoming the owner and the management key in a company. I mean we have a case in part which is being very much discussed in Quebec and you have one in Ontario. I will talk about the Quebec one, not the Ontario one. We have at the moment a company which was owned by Mr. Nadeau, a lawyer, -- no, the publisher's brother is a lawyer and it was a very well going concern. Achete of France has been making tremendous inroads into the French publishing field and, as a matter of fact, the French publisher is, in many ways, under stress in Quebec due to the inroads in France, than even the English one is under the stress from the American or the British publisher.

Achete was making a bid for that company, the Quebec Government through its finance company, for an amount I think of $2½ million, bought 56 per cent of the shares. 35 per cent were permitted to Achete and 5 per cent had to remain in the hands of the Nadeau heirs. This I cannot vouch for but I know that there are at the moment three submissions before the Quebec Government and two of the people who have submitted their books for acceptance, they are French books but published by -- has a centre in Toronto not owned in Canada, they are very worried but this company is going to win the bid for their particular adaption because the government is sitting on both sides of the fence.

MR. CAMP: The government then has representation on the Board?

MR. KEYSERLINGK: They are owners of a publishing company and publishing certain books. Oh, yes, they have 50 per cent of that. They are deciding the adaption program and they are, at the same time, on the other side of the street buying the books and thereby they would be working both sides of the street. I mean this is just a tangible thing. I don't say that would happen but there is that fear that if the government happens to be both buyer and seller, that the other enterprise will have a very hard competition.

MR. CAMP: This is not in the form of a loan, they purchased the stock?

MR. KEYSERLINGK: They purchased the stock.

THE CHAIRMAN: I just wanted to ask one or two questions on this point as we are carrying it on. While you declined to comment on the situation in Ontario, I know that you commented on it in a letter to a particular newspaper in Toronto, and I wondered in connection with that particular letter if I might ask you one or two questions which relate to the brief and on this particular point?

You have said in your brief on pages 14 and 15 -- on page 15 you say:

" It is here that the long-term

1 " loans on a business basis
2 even if at more favourable terms
3 recommend themselves."
4 You talk about 4 per cent on page 14 and you say
5 20 years. Under the heading of business basis
6 I assume that you would call into play here by
7 a government prudent security conditions on
8 behalf of the taxpayers whose money it is?
9 I suppose this is what you would have in mind,
10 in that kind of situation.
11 I wanted to say to you that
12 in connection with the letter you wrote I
13 wanted to perhaps organize your thoughts a
14 little better than you have them, if you don't
15 mind because what goes on the record, I think,
16 is as helpful to you as it is to us. You say
17 in your letter which was published, I think
18 on June 8, that,
19 " Under the impetus of a somewhat
20 artifically fanned timer against
21 U.S. takeovers we have seen some
22 much more far-reaching changes,
23 government getting into publishing."
24
25
26
27
28
29
30

"Today we have an Ontario government potential control through massive financial participation."

The financial participation which we recommended, for your information, was a loan of virtually exactly the kind you had recommended. It is not participation of the kind that you have just described to us in Quebec. You say: "Massive financial participation". I have indicated it was a loan.

". . . and nomination of 50 per cent of the directors of one of Ontario's leading publishers."

Our report did not recommend the nomination of 50 per cent of the directors. Our report recommended that there be a split in the board -- we recommended an alternative -- of splitting the board where McClelland and Stewart would nominate two and the Ontario Development Corporation would nominate two and the two would then pick an independent outside chairman. It is not a 50 per cent situation.

In any event, we suggested in the alternative that the Ontario Development Corporation merely had the right to nominate directors, so we have left it completely open to the government to decide, or for McClelland and Stewart to accept the offer. It was no more than an offer.

I just wanted to get that across to you

that there was quite a difference.

MR. KEYSERLINGK: Mr. Chairman, may I just raise a point of privilege. I did not, when I wrote the letter, have the Royal Commission in mind at all. I merely went on the basis of the publications in Quill and Quire and the others who took that as a fact that these things had been done. Your recommendation merely was of help, I think. What was done, I relied on the news publications and by no means did I have you in mind at all at that time.

THE CHAIRMAN: I felt, at least, it was important to draw these facts to your attention.

MR. KEYSERLINGK: Thank you.

DR. JEANNERET: I would like to ask a lot of questions. I am not going to because we have run out of time. I think perhaps the most important question raised by your brief in my mind, Mr. Keyserlingk, and I respect you as a publisher and your advice on this, is your strong -- first of all, you draw the distinction between Canadian publishers and Canadian publishing. You did that in your introductory remarks and you did that on page 5 of your brief. You expose yourself, then, to my standard question, and that is this: What would be the consequences, if any, if the last Canadian-owned publisher of any

significant size failed, or was sold to foreign control? You don't come to grips with that, you point out we should be worried about what is being published and not just publishing it. This is a valid point as far as it goes. If it goes the whole distance, is it so valid?

MR. KEYSERLINGK: This is a hypothetical question.

DR. JEANNERET: Not too hypothetical in English-speaking Canada. It has down to two or three, you know.

MR. KEYSERLINGK: I would imagine what would probably happen on the very next day a group of Canadian businessmen and others would form a new company. I do not think that the minute the market is viable -- and I think it would be viable if certain restrictions were put through by general legislation, privileges of the inside market, the limiting of certain privileges the outside publisher today has in coming in -- after all, the Canadian motor car industry grew up because there were certain empire preferences legislated across the board to export to Australia and other places.

DR. JEANNERET: There is no queue for new charters in Ontario at this moment.

MR. KEYSERLINGK: No, but I think, as long as publishing is not a government trust -- I would say a trust almost in the Soviet sense -- I think we would have to leave

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the economic elements to take their own course ---

DR. JEANNERET: However far they go?

MR. KEYSERLINGK: Yes, provided we can always build many protective measures into it, as has happened in many industries. I think the same question could be asked, not on publishing only, but suppose the furniture industry all of a sudden found itself exposed to this thing? I think publishing in that respect would be no different.

DR. JEANNERET: I do wind up in a little dilemma there, but perhaps we can talk about it another time. There is a great deal of controversy about just how much is being lost in dollar business to Canadian agents by buying around. I was interested in your comments. I will just ask one question: In your statistics, your figures, were they all drawn from the incidence study? It was a very valuable and timely study.

MR. KEYSERLINGK: From the statistics of library sales and so on. It might interest you, Dr. Jeanneret, that Godin, which is starting in Quebec ---

DR. JEANNERET: We know about that.

MR. KEYSERLINGK: Has withdrawn again and that business is now coming into our hands and we will have a problem handling it.

It is not something that cannot be related and done by Canadians.

THE CHAIRMAN: Mr. Keyserlingk, I am just going to conclude. You have given us a first-class brief.

DR. JEANNERET: Just a short question before the Chairman concludes: Would you let us know confidentially, if you would like, what proportion of your business in Canada is done in the Province of Ontario? You don't need to answer that here, but would you write us?

THE CHAIRMAN: I would be particularly interested in the material that you put in, starting at page 9 of your brief, having to do with the comparison of the mail costs and it appears from this material -- and I don't doubt that it is true -- that in point of fact, the federal government, through its postal authority, is really in a direct subsidy of foreign book publishers using our mails and in this way, puts our own Canadian book publishers in a distinctly disadvantaged position. If we may, we will send a copy of this brief to the Postmaster General of the Government of Canada to indicate to them it might be well worthy of some consideration on their part.

Thank you, sir, for your brief and for your attendance.

We will come back at 2:15.

---Luncheon adjournment

---On resuming at 2:15 p.m.

SUBMISSION OF HARVEST HOUSE LIMITED PUBLISHERS

THE CHAIRMAN: We now have with us this afternoon, Mr. M. Gertler, Editor of Harvest House Limited, Publishers, Montreal.

Mr. Gertler, we welcome you, and if you would be kind enough to give us the high points of your extensive brief, we would appreciate that and then we would like to discuss it with you.

MR. GERTLER: Thank you, Mr. Chairman, ladies and gentlemen.

My brief was indeed extensive and I find, in trying to give a summary of recommendations based on that brief, it still amounts to a dozen pages, so I have provided some 15 copies of the summary of recommendations for your use. I would like to restrict myself to a very few words and hope you will then ask me questions based on my brief.

I would like to say the main obstacles to a Canadian publishing industry and to a literary culture in Canada, has to do with the existence of a dramatic and powerful culture and economy which exists alongside us and which operates in the English language.

This has not only been an obstacle in the past; it has also provided enormous advantages to us. It has been a secular culture and it has done very much to educate, inform, titillate and entertain us.

At the present time the penetration of this culture into our cultural space has been so great that it has all but threatened to obliterate the Canadian publishing industry and the Canadian literary culture. In light of these circumstances, it is necessary for us to take some very, perhaps unusual measures of self-assertion and self-preservation, not negative measures, not measures of restriction or book burning, or quotas or higher tariffs, but positive measures in our own behalf.

I notice that in a number of the briefs that came to my attention, a great deal of attention has been paid to financial help. I would not discount financial help in the way of a book development corporation or a library purchase plan along the lines of that plan which is administered by the Department of Education and Welfare in the United States.

My own feeling, after publishing nationally from Montreal for something like 11 years, is that our problems are much more cultural than they are economic. It is much more important to change our cultural habits than it is to make more money available to us. In

the present state of our market, in our restricted, effective market, loans, even at low interest rates, may not be helpful. Loans even at low-interest have to be repaid and by analogy with the agricultural industries, if the markets are not there, the terms of trade are adverse, loans may not help. A change in cultural habits would help very much. By that I mean that a thorough-going re-evaluation is necessary among the members of our teaching professions, among our librarians and our Departments of Education, among our Parliamentarians. What you have been doing has been of the very greatest, most decisive importance. A great debate in the press has to be joined. Our students have to become interested. All of our entire reading public has to become involved in this debate and its ferment -- it is more in the nature of the ferment in which Yeats and Sewell and Gregory got involved in in Ireland, that Ibsen and Bjarnsen and Bransom got involved in Norway in the German and Swedish culture. It was a positive assertion as against English culture.

The kind of debate which has joined in the latter half of the 19th century in the United States where nothing American is considered to be of quality in the intellectual field, everything of quality was European and the Americans had to do battle and assert themselves

to say that something American could be possibly good.

We are in that state of cultural evolution now. One of our great disadvantages, however, is that we have no language barrier due to the fact that two of the three greatest publishing centres in the world publish in the English language, that is, the British and the American ones. We are in a very particular state of disadvantage.

THE CHAIRMAN: We wonder if you would consider that the people of the United States have, in fact, over-asserted themselves? Is this a matter of concern culturally speaking?

MR. GERTLER: I would say economically speaking they have over-asserted themselves. I, myself, am devoted to the American book and I served two American administrations. I have been in the information and documentary film industry in the United States and I have taught in American universities. I farmed in the United States and I am deeply involved in the American culture.

THE CHAIRMAN: Are you an American or a Canadian?

MR. GERTLER: I am a native Canadian but I went to graduate school there and I served in the American army in World War II. I can see -- my feelings are rather not

anti-American, except that I am opposed to certain of their policies -- I am certainly opposed to their position in Vietnam. My position is, rather, that we have to have intellectual living space to speak to each other so that we can discuss our own problems amongst ourselves, so we can try out our problems conceptually and dramatically.

THE CHAIRMAN: Some people have the notion that the nation, the United States of America is one of the most nationalistic countries in the world and that this nationalism tends to, and had tended for quite some time, to almost overpower any nation such as ours in such close association, culturally, socially, environmentally, and every other way. I wonder if you might comment on that position?

MR. GERTLER: I think there is a large element of truth in that except it is mitigated by the fact that the American nation is a polarized one, the social system is a polarized one. In my brief I have made the point quite unmistakably that you have side by side a military industrial complex, a near-psychotic surveillance system, a very corrupt mass media existing alongside a marvellous social and political philosophy, a great legal tradition.

THE CHAIRMAN: What about the people and society?

MR. GERTLER: The people and society are polarized and split. I would like to speak directly to the point. I had an experience last summer where I met the erstwhile President of the Bognor Corporation. He is a man of Liberal tendencies, his father before him was a great Liberal, in fact he led a group within the publishing industry in protest against the Vietnam war and as a result lost a book contract of one of the major book publishing houses in the United States.

However, in discussing our plight in Canada with him he said, "Oh, yes, one of your firms tried to sneak into the United States and establish a warehouse here and start publishing". I am sure he was referring to the University of Toronto Press. In other words, they are so accustomed to thinking of us as an extension of

their market --

DR. JEANNERET: He said this in the past tense, did he?

MR. GERTLER: Yes. Even a man of very considerable liberal tendencies has a hard time thinking of us as a contender, as an equal.

THE CHAIRMAN: As a penetrator?

MR. GERTLER: Yes, or they think the tail is not going to wag the dog. We are their creature, we are an extension of their market. That is the habit of thought. It is a habit of thought.

THE CHAIRMAN: We have no access whatsoever -- not whatsoever -- no access to their market?

MR. GERTLER: Virtually, because their major media do not review our books and our media do not penetrate their market, except in the CBC to some extent.

THE CHAIRMAN: You have got an enormously interesting brief and I know my colleagues want to ask questions and sort of have a go with you.

DR. JEANNERET: Mr. Gertler, I know your list a bit and you seem to be the exception that proves some rules. I can't help thinking that you are secretly subsidized from somewhere. I admire what you are able to accomplish. You do a great deal of paperback publishing, I mean

relatively speaking you have a good proportion of your editions available in paperback?

MR. GERTLER: Virtually all of our editions from the very beginning were published in paper and cloth simultaneously.

DR. JEANNERET: I can't understand how you make this work but I admire you for doing so and your list comes as close to being a scholarly list as most trade publishers' lists do. You are not representing agencies?

MR. GERTLER: Not at all.

DR. JEANNERET: You are the epitome of everything that is according to the commercial publishers that we have spoken to guaranteed to fail, guaranteed not to be able to get started. You don't have agencies and you are not really in the centre of the school book field either.

MR. GERTLER: Well, I would say that we are not in the centre but we have about an adaption a day. We get small adaptions from many universities and schools.

DR. JEANNERET: Now, the importance of your paperback publishing must mean that a certain interim report that was tabled yesterday in the House in Toronto must mean something to you. Would you please comment as uninhibitedly as you wish on what that report dealt with? I am not asking you to interpret the report but to discuss the situation it discusses?

MR. GERTLER: I only caught a brief flash on the news last night so I am not privy to the whole point. However, I did get the gist of it and I have a recommendation, or at least I discussed a recommendation, about the entry of Canadian publishers into the newsstand system and the proposition that the paperback reprint could possibly be set up in Canada and I have remarked that before any Canadian publishers get involved deeply in the paperback system that we should have an industry study of that newsstand system because I think many of us suspect that it is foreign-controlled, that it is restricted almost exclusively to the American output, certainly geared to that output and we ought to look at their contractual licence very carefully.

It is also a very, very rough business system where returns average around 50 per cent, the margins which they take are about 55 per cent and I don't think that Canadian publishing houses would do very well in a rough situation of that kind, especially if there are contractual relationships which virtually exclude them in the first place.

MR. CAMP: Have you any relationships in this regard so far as your own publishing company is concerned?

MR. GERTLER: I have, my very first book was a book called, The True Face of Duplessis. At that time Jackie Baer was the

editor for Ducharme before he formed his own Ducharme Jour and Benjamin News promised to take it and after they promised to take it they changed their minds, they reneged on me and then I think it was Upper Canada News, I tried them and I had no luck at all. Now, this is a book that sold 50,000 in Quebec and it was by Pierre Laporte, it was one of the most important political books of its time and certainly helped very much to turn out the Union Nationale in Quebec. It was published before the election in 1960 and we couldn't get that book on the newsstands. I couldn't get the Brothers Anonymous which originally sold about 130,000 copies and was about the best selling book in the whole history of Canada. We published that in English. We could get several others in the newsstands.

DR. JEANNERET: You were not able to get that on the newsstand?

MR. CAMP: What was the price tag, if I may?

MR. GERTLER: $1.50.

THE CHAIRMAN: Why couldn't you get it on the newsstands, exactly?

MR. GERTLER: I think the industry is like a buzz-saw. It is a very rough industry, you talk to those people and you think you hear them say, "Well, the cover isn't sexy enough, it isn't our kind of thing",

or "People won't be interested in that thing" or "It is too controversial" or something like that.

THE CHAIRMAN: What are the major wholesaling firms or distributing firms?

MR. GERTLER: There is only one major distributing firm in English and Montreal and that is Benjamin News, it is an amalgamated firm and do 80 or 90 per cent of the book work in Montreal.

THE CHAIRMAN: Where are they located?

MR. GERTLER: I have some information there is some foreign control recently but I am not privy to their status.

THE CHAIRMAN: Do they have virtually a monopoly on the Montreal market?

MR. GERTLER: Of the English-language distribution and recently increasingly in the French language, although the French publishers have their own networks to a certain extent. Some of the major paperback publishers like Ducharme, Delorme have their own distribution networks but they use in Montreal, Benjamin News, Montreal News, they get into Steinberg's and other special places.

THE CHAIRMAN: You used the figure of about 90 per cent, did you not?

MR. GERTLER: That is right.

MR. CAMP: And it has effective

control in the Montreal market?

MR. GERTLER: One group which has amalgamted within the last year or two, possibly within the last 12 months.

THE CHAIRMAN: So, if they made a decision they would not carry any paperback that you published that would be the end of the ball game, as far as you are concerned?

MR. GERTLER: Pretty much.

MR. CAMP: Who owns these organizations?

MR. GERTLER: I remember when Mr. Benjamin himself used to sell papers on the corner, he was a blind man and sold papers on the corner of St. Catherine and somewhere and he built it up from scratch.

THE CHAIRMAN: Is this firm carrying any of your publications now?

MR. GERTLER: No, they are not.

THE CHAIRMAN: Have you attempted to get them to do so?

MR. GERTLER: Not for a long time, it seems to be the kind of business that I couldn't venture in.

DR. JEANNERET: It would be a very logical outlet for you?

MR. GERTLER: It would be, but in order for us to get into it, of course, we would have to break into that price range and the only way we could do that is if our books were

more widely adopted in schools so we could have larger editions.

THE CHAIRMAN: What kind of price range are you talking about?

MR. GERTLER: Well, we put out quality paperbacks and our paperbacks usually go from $2, $2.50 up to $4.50. However, if they use our novels like Jackie Baer's Temple on the River or Claude Jessman's Requiem of a Terrorist, little books like that, if they used those in the schools instead of using Joceylin's The Pearl or Paul Gallico's, The Snow Goose and I have some others.

THE CHAIRMAN: What you are saying is if they would use Canadian authors?

MR. GERTLER: If they used Canadian authors, Canadian materials, there are many books which would be very suitable for the schools and some of them are being used in the schools, if they used them widely then we could bring the price down, we could put them in at 95-cent level.

DR. JEANNERET: And pre-discount them? There is an apples and oranges isn't there?

MR. GERTLER: Of course there is, yes.

MR. JEANNERET: You are comparing $2.50 trade at 40 per cent with 95 cents, 20 per cent?

MR. GERTLER: That is right, of course.

DR. JEANNERET: So the 95 cents -- 20 per cent doesn't get you on the newsstands?

MR. GERTLER: No.

DR. JEANNERET: You are going to have to get 50 per cent there?

MR. GERTLER: 55 per cent very often.

DR. JEANNERET: As high as 55 per cent, is that right?

MR. GERTLER: Yes.

DR. JEANNERET: And complete returnability largely on the basis of torn covers sometimes?

MR. GERTLER: Well some of the French publishers are putting a plastic cover, one of these plastics on their books but mostly in the English trade they are not covered and if you get 50 per cent return that means 50 per cent damaged books.

DR. JEANNERET: Well, really when I said "torn covers" I meant --

MR. GERTLER: You mean tearing the covers off?

DR. JEANNERET: They don't do that to your paperbacks?

MR. GERTLER: That, I don't know.

DR. JEANNERET: Some do?

MR. GERTLER: Some do.

DR. JEANNERET: Instead of returning the book?

MR. GERTLER: Yes.

DR. JEANNERET: Your brief is very well written, very interesting and provocative, it is controversial at points and I don't intend to go through it in very much detail. A couple of points.

On page 6 you launched into Peter Martin's model of "If our language were Finnish, Dutch, Hebrew or Danish, there would be little problem". I don't know if it is his line but he used it and then you say, "If there existed the barrier of language, our people would be eager to hear what their own writers are saying and our publishers would gain further from a brisk translation activity and exchange between the major language publishing sectors of this country." That seemed to me to be sort of non-sequitur and I didn't follow what you meant. Perhaps you could put me straight on that.

MR. GERTLER: It is a little difficult, of course, but certainly if there were two languages in Canada, --

DR.JEANNERET: There are.

MR. GERTLER: If there were two and one was not English we would not have the problem of being a sub-metropolis and we would be for translation purposes, each of the major language groups in Canada would be interested in

hearing what the other was saying and furthermore in the international field we would be a metropolis for translation purpose, not a sub-metropolis, and instead of being Paris -New York or Paris-London or Rome-New York it would be Rome-Montreal, Paris-Montreal.

DR. JEANNERET: I follow you, I am sorry I didn't get the point when I read it. On page 10 you just make a glancing recommendation of something that always stops me dead and that is a library purchase plan and I am always afraid that this means buy an edition from the publisher and give it to the people who are going to buy it anyway and then he is all set, where actually this is just where he stops, and creates a great deal of embarrassment.

Is this not a built-in problem?

MR. GERTLER: Well, I am against making our books dull and compulsory. I said that in my brief. By reflection, the American and other foreign books, to be exotic and interesting, by making our books compulsory.

DR. JEANNERET: What has that to do with the library purchase plan?

MR. GERTLER: It could be construed in that way that if funds are given to our libraries and you had to buy Canadian books, that makes our book compulsory, you see, and therefore dull.

DR. JEANNERET: I thought you meant by a library purchase plan, a subsidization of purchase of editions for free distribution to libraries.

MR. GERTLER: No. I think the analogy I give is the plan administered by the Department of Health, Education and Welfare in the United States where, roughly, some $2 billion are available for -- possibly available for books, although other things may be bought in the plan.

THE CHAIRMAN: On what basis -- how often is that $2 billion available?

MR. GERTLER: Annually. It has been available for the last six or seven years and has made a tremendous difference to the American publishers.

DR. JEANNERET: I hear it has dried up, the D.H.E.W. grant. I misunderstood what you meant by library purchase plan, because the Independent Publishers' Association had advocated a book-buy approach, which is very hard to carry forward.

MR. GERTLER: I am not in favour of that. I am afraid of it.

DR. JEANNERET: On page 11 you speak about:

> "A federal or provincial loan fund may not make the difference between an unprofitable and a profitable industry."

And loans have to be paid -- repaid, and so on. You spoke about that in your introductory remarks.

I am confused still as to how, without this type of assistance which you reject, the Canadian publishing program, apart from activity in a special field such a school books, can be viable. I hope it can be and this is what we are here to find out. We are constantly told it cannot be.

MR. GERTLER: I don't believe it can be. I have been putting my own money on the line for the last 11 years and I think it is appropriate for people to put out seed money to start a publishing house, just as much as to start a farm, or any other business, and I don't think government should put publishers

in business. I don't think people should go into the publishing business which requires, as I said in my brief, $100,000 to a quarter million dollars at least to start even a minor one, and expect to be solvent if they don't have it, or expect to be able to pay their bills. I mean, they couldn't even start a bookstore with what some people have gone in ---

THE CHAIRMAN: Are you suggesting perhaps if people intend to go into the publishing business in this country, there might be some rule or regulation that says before you can start you have got to have a certain amount of capital in hand?

MR. GERTLER: I don't say that. I am just saying if they do start without the capital in hand, they must be prepared to go under. They may go under anyway, but you cannot -- I mean, one knows you can't start a bookstore these days without a decent capital. A publishing house is far more expensive. For the cost of publishing two books you could start a bookstore.

DR. JEANNERET: It is pretty clear at the bottom of page 14 and top of page 15 -- in general I am not trying to put down your brief. I uphold it, but at this point it is quite clear you are being highly critical of assistance recently rendered McClelland and Stewart. I don't need to read all the words to

Nethercut & Co. Ltd.
Toronto, Ontario

make it clear that that is really what you are saying. You said it very politely and I would like to ask you, what would you have done with a firm of that nature, faced with imminent bankruptcy, would you let it go bankrupt?

MR. GERTLER: I am critical of those who start in the business and the next day they are saying "Now give us loans". They start with no money and the next thing they say "Give us loans". If we are going to have state publishing, I am happy to go to work for the state, but I prefer not to. I would like to offer myself as an editor. People who start in the business one day and the next day say "Bail us out", I don't think that is reasonable. In the case of McClelland and Stewart, I think McClelland and Stewart had purchased titles. Moreover, they had said "We are the Canadian publisher". I think they mistake themselves for Canadian publishing sometimes and perhaps they have got too large and perhaps if they had got some of those projects out to the rest of us, perhaps there wouldn't be so much trouble. I think McClelland and Stewart -- Jack I have been in business with and we put out the science magazines for the schools together for several years and he has always met his commitments to me and we have always had a gentlemanly relationship and paid our respects and our obligations and I have

nothing against Jack whatever, but I feel that he has had all the advantages. He inherited a firm which his father was in for many, many years before him. He had everything in his favour and, if he could not make a go of that, I don't feel he should be put in a favourable competitive position vis-a-vis other publishers.

DR. JEANNERET: His contribution was not merely one of taking manuscripts that offered themselves. It was a creative contribution to the publication of Canadiana, was it not?

MR. GERTLER: I break my neck to do the same thing and nobody has offered me a million dollars yet.

DR. JEANNERET: We don't know that you are going bankrupt now.

THE CHAIRMAN: If you do, move to Ontario, will you?

MR. GERTLER: That is what I propose in my brief because I own a couple of farms in Ontario and there would be no trouble at all the move. I am federally incorporated. I am not against a loan fund. I am not against Jack McClelland receiving the money. I am saying publishers, established publishers should be on the same basis and should have a chance to proceed with loans and I believe the loans should be federal and not provincial because I am very much afraid

of the Balkanization of the country. Manitoba and Quebec have got a chosen one and now Ontario has one.

THE CHAIRMAN: I don't think at this juncture I can speak for my colleagues, but I don't think either one of us can quarrel with the proposition you have just put. There is no question but that we did act on a situation that required some degree of activity. The three of us do not hesitate to act where activity is required.

MR. GERTLER: I laud that very much. I have been most impressed by incisiveness, seriousness and determination with which you have undertaken this task and the way in which you have acted. If you make some mistakes, I will not be the one to blame you. I think you are bound to make some mistakes but the manner in which you have attacked this problem, letting the chips fall where they may, has been marvelous. I have been delighted and surprised and I am very grateful.

DR. JEANNERET: You say on page 15 -- you just led into it --

> "It may become necessary for us to become residents of Ontario - no great hardship - to share the benevolence of the government of that province."

I take it to be incorporated in

the Province of Quebec you have to have 50 per cent ownership held in that province to have a share in the benevolence of Quebec?

MR. GERTLER: Quebec isn't giving us anything in the way of loans. I am covered because it is anyone who was incorporated federally prior to April 15, 1971 is covered. I am covered. There are no loans forthcoming. The only thing that is forthcoming is the kind of subsidy which the Canada Council ---

DR. JEANNERET: Department of Cultural Affairs ---

MR. GERTLER: Gives individual grants for books if you can make a case for that book, if it is by a Quebec author and so on.

DR. JEANNERET: It must be a Quebec publisher.

MR. GERTLER: Yes. Under the terms of the recent Orders-in-Council, I am a Quebec publisher for the purpose of the recent Orders-in-Council. There are no loan funds available in Quebec to publishers.

DR. JEANNERET: On page 53 -- it is quite a brief -- you are speaking about:

> "A large and perennial source of loss for Canadian publishers are substantial returns of books from college and university bookstores."

We have heard of figures running as high as 20

per cent. I presume in the main you are referring to imported books that make up those returns, although I am sure it affects your books as well, but your kind of book would be resaleable in the more elastic market, would it not?

MR. GERTLER: Not as a paperback because a paperback cannot be shipped twice.

DR.JEANNERET: What kind of returns do you encounter or have you an overall percentage figure?

MR. GERTLER: We have had in the last year miscalculations -- that is what they are -- one way or another they are miscalculations by college bookstores or faculties of the order of, say, up to 40 per cent of an order. They order 200 books and then send back 80, or something like that. This is done to protect themselves. They operate in a projective way. They may want to reorder the same book next August and they send it back in the spring and want to reorder it in August, but meanwhile it is a dead loss if the book has gone through the mails twice.

DR. JEANNERET: The matter of estimating enrolments is becoming progressively more difficult. I know of a case where the instructor estimated in all good faith and not to be facetious, but the part of the difficulty to enroll in the course of zoology would be between 50 and 500 and, of course, this absolutely

left the bookstore guessing as well as the publisher.

Growing out of this discussion in your brief you say:

> "It is an inevitable part of the cost of education and should be borne by the province and by all of us who pay for education in our taxes."

How?

MR. GERTLER: I suggest two possibilities: One, a returns insurance plan and also what may actually be administratively unfeasible if the returns are high enough, alternatively, a depository warehouse be set up where the college bookstores send back their surplus books and then that depository circulate a list of books in stock, titles in stock, to the same bookstores for perhaps a couple of times a year when they are selecting their books again and they can order from that provincial warehouse if each province has one or more warehouses, before going back to the publisher. The publisher does not enjoy the loss but the loss is properly where it should be in the educational system.

DR. JEANNERET: Just as a matter of history -- I don't know the final history on this as I should -- you have enclosed a number of Exhibits as your appendices, one being

a letter of November 20th, 1969 sent to Mrs. Ruth Cole, which we have discussed, the Executive Secretary of the Canadian Book Publishers' Council proposing membership, which I think in the Council at that time had a minimum figure of $800 or that order -- I think it was $1200 by the time you participated in some of the programs -- proposing a fee of no more than $100 for members who publish 15 or less volumes and so on, and this was put in on behalf of 12 specific publishers. I believe the fee is $100 now. How many of those 12 publishers have kept faith?

MR. GERTLER: Most of them have not and I did my very best ---

DR. JEANNERET: I know you did.

MR. GERTLER: You will recall our target date was the end of 1970.

DR. JEANNERET: What is the meaning of that target date?

MR. GERTLER: The meaning was there was terrific pressure set up in the competitive Book Publishers' Association which was eventually set up and I was having a hard time keeping them alive. They said "You try this and if you can do it, we will forbear".

DR. JEANNERET: I have been assured it is not competitive, but if it is, I want to know.

MR. GERTLER: It certainly -- I

think it would have been much better for these people -- this was my advice to them all along -- to go in and try it for a year or two and learn something. There is so much to be learned by being a member. This is the real world, being a member of the Canadian Book Publishers' Council and it is to their tremendous advantage to become members of that. If they couldn't work within it then, they could have gone out and founded their own organization, but I never ceased to advise that they try that. A number of them did, indeed, enter, and I think more will.

DR. JEANNERET: I think it was a very interesting and informative brief, Mr. Gertler.

MR. CAMP: I do not have too much to add, Mr. Gertler. I found your definition of a Canadian title an interesting one. You recommend increased over-all subsidies, larger individual grants to publishers for publication of Canadian titles. I take it that Canadian authorship is not a consideration?

MR. GERTLER: Not entirely. I struggle with that but I am a universal publisher; I publish foreign authors and I feel that if I and my judges, my readers, and I use all the scholarly and intellectual help at my command, I use all the resources of the many universities in our area, all the resources of a great city and anywhere across the country, I call upon the help of experts and readers of all sorts and I feel that if we judge that a book is of interest to the Canadian public and we want to publish it in Canada, we want to originate it in Canada, that is a Canadian title. I don't have any parochial idea about a Canadian title.

MR. CAMP: It is an original publication or published simultaneously?

MR. GERTLER: Well, original publication is what I had in mind. It is possible that it could be stretched but I had in mind -- as I say I have struggled with the definition. I think anyone has to struggle with this definition which is not an easy one to make.

MR. CAMP: I think you were the first one to have struggled with it and left out the author but I merely say that.

MR. GERTLER: I do that advisedly because I feel I publish successfully leading scholars. I have got people from Yale, from Cornell, from London, Aberdeen and all sorts of places on my list now and I am turning around and selling rights to American and other foreign publishers of these books.

DR. JEANNERET: We want them to come to us for publication.

MR. GERTLER: Yes, so I feel we should not discourage that and I need help. Frankly I had an enormous manuscript, let us say, of humanities, teaching five courses in the city, he taught at Cornell. He used to be at the University of Toronto and he is now at Cornell and I am going to sell rights to an American and probably British publishers and maybe others and I had the man who has a chair at political science at the London School of Economics, he is one of my authors and I sold Harper-Rowe.

DR. JEANNERET: Are you making those books in the United States?

MR. GERTLER: I am making them here as much as I can.

DR. JEANNERET: And claiming United States copyright on them? You are in trouble if the author is writing them in the United

States.

MR. GERTLER: Yes, I am aware of that. I have to sell rights in the United States in addition to an American publisher.

DR. JEANNERET: There is not one copy that can be sent in to the United States.

MR. GERTLER: Yes, but I have to sell rights, that is right, to an American publisher. I can't sell copies but I can sell rights.

MR. CAMP: This might discriminate against Canadian authorship to the extent that however large the subsidies were and however large the grants, they would be nevertheless limited and if you permitted that kind of assistance to world authorship, let us say,it would inhibit, I would think, the development of Canadian authorship. You have to take the good with the bad.

MR. GERTLER: Well, I think that generally speaking we cannot live in a limited intellectual sphere: We must live in the broadest possible intellectual pool and we must become a publishing metropolis like any other and, therefore, we must do international publishing and we can only succeed if we become thoroughly cosmopolitan and until we write with the best.

I do a great many Canadian books but I feel that I just have to do the others and I

think it is in Canada's interest for us to be producing books that we can sell rights to others on and also it does much to enhance our reputation as a centre of intellectual activity.

MR. CAMP: In terms of your definition here of a Canadian title, would you define a Canadian publisher?

MR. GERTLER: I would like to sit down and write that out. It would take me a little time to think it out.

MR. CAMP: It would not necessarily be an indigenous publishing firm, as we call it?

MR. GERTLER: I think so, I think I would tend to stick to Canadian residency and control and directorship as a Canadian publisher, yes, I would.

MR. CAMP: In your call for an effort to have more Canadian books included among American book club selections, just so that I understand what you are saying, this would mean book club selections in the United States or book club selections in their operations in Canada?

MR. GERTLER: It amounts to about the same thing because they come in here and probably sell a disproportionately large number of their books here.

MR. CAMP: I suppose they are doing more in that line than they did before?

MR. GERTLER: Yes, but not enough

yet. There is one point I would like to make and I meant to make it at the very outset and that is that there has been talk recently, especially in the Department of Trade and Commerce about helping Canadian publishers to sell their books abroad.

Now, every little bit helps but it is like saying to a man who has just been given six months to live, "Go out and get yourself a new hat" or "Come on and I will buy you a drink and you will feel better". That is the situation we are in and what Canadian publishers need is help to distribute their books in Canada. I can take care of my books abroad, I have got agents in Zurich, Rome, Paris, London, New York and other centres. I can take care of selling rights abroad, I have not got a real problem.

If I can exhibit my books jointly at the major showplaces of the world with the Book Publishers' Council, I have no problem. I have a problem getting near my public in Canada, that is where I have trouble selling my books.

You see every exhibition that comes on, almost every exhibition, they say, "We want each publisher to have a minimum of 10 feet of space and to have an attendant" and so on. Well, we have these exhibitions all over the country. McGraw-Hill has between 400 and 500

people, most of them salesmen. How can I compete in getting my people around the country in many of these places to exhibit? So, as a result of these standards which are really the standards of the great publishing houses of the United States and to some extent of Britain, we can't compete on an equal basis. What Canadian publishers need is the help to exhibit jointly in Canada and in some cases to sell their books jointly in Canada.

MR. CAMP: That is an interesting point. I follow your rationale with regard to government loans versus direct grants and subsidies. Are you satisfied with the criteria which are applied to these or would you like to see them broadened?

MR. GERTLER: Well, I have benefited frequently from grants. I don't always agree with the canons of the Canada Council but that could happen. I think possibly they could broaden their terms of reference. I find there are very many books which fall outside their terms of reference, a good deal of non-fiction receives no possible grant. I find that the social sciences and humanities in the Research Council seem to be set up to serve more the university presses than the scholarly presses or quasi scholarly presses, like ourselves. They take much too long, if you ask for $3,500 for a book that is going to cost $10,000, they give

you $2,000 and it takes six to nine months to give you an answer. They don't give grants to symposia, there is no money in this country for science publishing, if there is a good science manuscript, as I said in my brief, that can make a textbook for universities of large enrolment they have no trouble getting an American or British publisher to publish it and then when they have a specialized book they come to us and the book may have a price tag of $7,500 and we may sell between 500 and 2,000 copies, if we are lucky in three years or five years.

MR. CAMP: Do you envisage such a situation as this as being applied to general publishing?

MR. GERTLER: That is right. I believe that larger individual grants and more money for subsidies of a grant type should be made available and that in particular there should be more money for science publishing. The terms of reference of these Councils should be widened to include symposia and they should have probably more help to make decisions more rapidly. A scholarly manuscript cannot wait six months or nine months for an answer.

DR. JEANNERET: You are only talking about subsidization of original research material, you are not talking about secondary subsidization?

MR. GERTLER: Sometimes there are

very interesting symposia. I can give an example of one in our brief. We have symposia all the time which are of very great importance and I don't think these should be expected just because they are symposia. I feel there are too many exceptions and that the grants are too small. I think that the Councils suffer from this kind of syndrome. They say, "Well, these guys are publishers, they are businessmen, if they ask for $3,500 we will give them $1,500 because they are businessmen". The shoe is on the other foot. In fact, scholars for the past several years have been earning very good money and it is we who have been picking up the red ink and they have to change their whole attitude and say, "Look, these guys are cultural heroes, they are beating their brains out trying to get Canadian books published and undertaking and initiating Canadian publishing and we must do everything we can to help them, so let us be generous". And there is no generosity, there is still the feeling of parochial puritanism which was the problem in the thirties towards publishers. "Publishers are businessmen". If I was a businessman I would like to see some of that black ink.

This is the first year that we have been in business that we haven't subsidized our operation. This is our eleventh year of publication and meanwhile the same men who are making

judgments about my book and with glowing readers' reports are reducing my subsidies and my requests from $3,500 to $2,000.

MR. CAMP: I have just a last hypothetical question. I take it that your emphasis here is on federal participation, federal contribution in this regard, in regard to any grants or subsidies to the publishing industry?

MR. GERTLER: Yes.

MR. CAMP: Is this because of where you are placed or is this a philosophical reason? I think you spoke of Balkanization.

MR. GERTLER: Philosophical. I believe very strongly in an integral Canada and there has also been very strongly a serious polarization in Canada taking place between English and French Canada which is false because Quebec has a very large English-speaking population. In any exact sense of the term they have about a million and a quarter English-speaking people which is roughly equivalent to the total English-speaking population of the Maritime Provinces. In any broad sense it is much larger, we are a very mixed people. Many of the so-called French Canadians speak French. I will give you an example, Marcel Trudel, a federal MP was on a panel with me recently and we were discussing this problem and he said, "Recently I sent a questionnaire to my constituents, I

sent it to them in two languages, I sent mostly English questionnaires to those with English names and French questionnaires to those with French names,, and I asked them to comment whether I had done it correctly." He said, "It is amazing how many returns we had saying, 'My name is French but I speak English' or 'My name is English and I speak French'." If you pick up the Montreal Star and look at the marital and obituary columns we are as mixed as hell. If you go on the Metro we are a tremendously mixed people and the idea that Quebec is French and the rest of Canada is English is something which has been fostered by the Quebec salesmen on the one hand and by a disproportionate amount of broadcasting on the CBC which originates from Toronto and in Toronto in the CBC they rarely give an Anglophone Quebecker a chance to speak about his problems: They say "Look, when we distribute the time of the network we give the rest of the country so much time and of course Toronto so much time and when we come to Quebec we give it to Francophone personalities so that we have got a very, very interesting, we have convinced the people of the rest of the country, certainly people of Ontario and especially Toronto, that the Quebec separatists are perfectly right and we are a bunch of dogs down there who have been grinding the individual French Canadians and that we are

different from the English Canadian elsewhere and that we are expendable.

This is a very unfortunate polarization and it has prevented us from speaking about the French-Canadian problem or the Canadian problem and, in particular, about speaking about our books in Quebec. We have had very little chance to get on the CBC and discuss our books because, again, the centre of communications is Toronto and some of the publishers get a disproportionate amount of time on the CBC and in the media in Toronto.

MR. CAMP: In the event that the federal government is reluctant or unable or unwilling to act in a matter of this kind, it would be better that somebody did something than no one did anything? That is the hypothetical question.

MR. GERTLER: I think you are doing wonderfully. I don't agree with this chosen instrument approach. It is unfair to the rest of us to build up someone who had already had a very good chance and I do not think that there is any great chance of McClelland and Stewart going under. I really don't take this seriously.

MR. CAMP: Whatever the government might do as a result of the recommendations of this Committee would only have application in Ontario anyway. I don't know about my colleagues, but I do not, or have not myself, decided myself, that that is the chosen instrument approach.

That is an ad hoc judgment made in a special situation and I have as many concerns about some of the implications of this as you do. We don't live in an ideal world, you know.

THE CHAIRMAN: Let it be sufficient to say we are not rushing into any broad base policy at this juncture.

MR. CAMP: I value your opinion.

DR. JEANNERET: I can't accept your judgment that there was no help needed.

THE CHAIRMAN: We had counsel in that regard and examined the question.

MR. CAMP: Thank you.

THE CHAIRMAN: I have to ask one or two questions. I listened to my colleagues and learned from them. I have one or two things that I wish to ask. You have been using the word "metropolis", and if I could be facetious I wonder if you might change the word "Metropolis" as it relates to Montreal being the centre for publication, and whether you might consider it might be bilingual "megalopolis", Montreal-Toronto, just to be facetious.

In connection with the matter of grants and loans which we have talked about, I take it from the discussion that has taken place that you consider essentially that there is a very broad, general assistance policy that it should really, in effect, emanate from the

federal government rather than the provincial governments?

MR. GERTLER: Entirely.

THE CHAIRMAN: I think what we will say is that we have no further questions. It has been an excellent brief and the discussion has been most illuminating. We appreciate the time you took in preparing the brief and its extensive format. It is almost a book in itself. If you can find a publisher, you might have it published.

MR. GERTLER: I wish we had had time to put it in galley before we came.

DR. JEANNERET: I would start in hardback.

SUBMISSION OF J.G.I. MacKAY

THE CHAIRMAN: We have with us now, Mr. John C.I. MacKay of Ottawa, who is submitting a brief on his own account. We have read it, if you would like to speak to it and tell us the main points you wish to make.

MR. MacKAY: Do you wish me to read the actual brief?

THE CHAIRMAN: That is not necessary.

We will just discuss it with you, if you like.

MR. MacKAY: Yes. As you see, I am speaking to the B and C parts of the terms of reference. I think probably the basic thesis is probably the legislative aspects. Perhaps we should examine the laws pertaining to the operation of corporations controlled from outside this country. If 95 per cent -- if that is the true figure -- if 95 per cent of all the business is foreign-owned, does an environment favourable for germination of foreign-owned or controlled business actually exist at present? If such an environment does not exist, what steps can we as Canadians take in establishing the proper environment if it is not through some set of rules, a rule of law, if you wish, which will give local industries -- that also means the book publishing industry -- a fighting chance' to get off the ground? Some minimum rules such as 51 percent ownership held by Canadians may be a worthwhile first step. I don't know.

THE CHAIRMAN: Are you associated with the publishing business -- are you an author, or what is your interest especially? It is not disclosed here.

MR. MacKAY: My interest is possibly as a potential author.

THE CHAIRMAN: All right. I take it, then -- are you putting your potentcy to work, are you in the process, or what are you

doing?

MR. MacKAY: No. I perhaps may publish poetry at some time in the far-distant future. I don't know.

THE CHAIRMAN: You say:

"Only government legislation can ensure the proper climate for encouragement of technological change where all Canadians will benefit economically, culturally or socially."

Are you suggesting there ought to be legislation which, in some way, will assist in the coordination, regulation, betterment, and things of that kind in regard to the publishing industry in Canada?

MR. MacKAY: I am not really qualified to talk in terms of the industry. I am only thinking in terms of, you know, as a layman. I feel that any legislation which is pointed towards the betterment of social conditions among all the elements of the industry and if -- I don't think -- I am not thinking in terms of economic nationalism so much as social values, social quality, the quality of life of the individual and participator in the industry.

I have actually sort of a feeling that perhaps operations research may have some application here, since it is a capital intensive industry. Perhaps a review of the Canadian

requirements for books in all the aspects of industrial application, trade, education and so on, may be a worthwhile area. Do market studies on book preferences, for example, in all areas and examine the capacity of industry against requirments. It may mean vertical integration of the whole industry from the time they pick up the paper pulp to the time they produce the end product. Perhaps look at the whole business of financing of the industry from a Canadian, as well as an international viewpoint. I think internationally and also sort of individually think of the individual within the geocentric structure rather than a nationallycentric universe.

MR. CAMP: I was interested in your next to the last paragraph in which you say:

> ". . . the book may well be a kind of dinosaur and publishers should shift their technology to creating micro-fiche libraries for every citizen."

I take this is a cassette and so on you had in mind? What I am interested in in that regard is where did that seminal idea come from to you?

MR. MacKAY: Just by association with information systems as to new technology, the shifting of technolgoy into new areas.

MR. CAMP: Do you belong to this

industry at all?

MR. MacKAY: Well, my job is not directly, but indirectly associated with potential users of such information systems. I am talking here as a layman. I am not talking as a member of that particular industry. I am not a member of that industry, by the way, so I am not talking on behalf of any specific industry.

MR. CAMP: My comment is I really don't know if that is as far out as it might sound to another layman.

THE CHAIRMAN: What Mr. Camp was going to say was dinosaurs may be extinct but you can still find their bones.

MR. CAMP: In your libraries.

THE CHAIRMAN: That is what you were going to say, isn't it?

MR. CAMP: Of course.

DR. JEANNERET: At the bottom of page 1 you called for the stimulation of private and public investment in the industry. We would like to know something about how to bring about public investment. How do you bring about private investment? Have you any views on that at all? This is one of our concerns.

MR. MacKAY: Well, perhaps, if I may look at ratios, I know there have been many emotional arguments put by various --

various articles I read appear to rest on sets of numbers such as the proportion of Canadian books published by, say, foreign-owned or foreign-controlled, foreign subsidiaries. It may well be that if you look at the ratios of populations of our nearest neighbour, for example, and ourselves, it is a ten to one ratio so one would anticipate the ratio of talent from the point of view of authors, et cetera, publishable people is possibly in that ratio.

Also, if you look at the capacity to invest, the number of people who have this sort of capital for investment may also be roughly in that ratio. However, it is known that the average income per capita is probably about 30 per cent higher below the border than it is above, so one may even expect this ratio for investment may be higher. So that the competition for business control, since it is a fairly free traffic in this sort of business, is going to be fiercer, even fiercer than that ratio. This is why I say that perhaps we may have to step into legislative areas to protect the environment.

DR. JEANNERET: You don't have a specific answer as to how to encourage private investment in the book industry, except that through tax incentives, which you mention on the next page. I don't know if you want to be more specific about what kind of tax incentives.

Nethercut & Co. Ltd.
Toronto, Ontario

You don't have to have an answer to this question.

MR. MacKAY: Well, there has been something said on this. There seems to be general agreement -- I am quoting from the Financial Times, if I may. There were two points which have gained broad acceptance -- I am quoting Judith Maxwell:

> "Businessmen crueler to kids. . . . Depreciation write-offs and special investment financing have given large advantage to foreign-owned companies leaving the others to carry a heavier tax burden."

That may be one.

DR. JEANNERET: I think that will do, Mr. MacKay, thanks.

THE CHAIRMAN: Thank you very much, Mr. MacKay, for taking the time to come and speak with us. We appreciate it very much.

MR. MacKAY: Thank you.

THE CHAIRMAN: We will take a break for four or five minutes.

---Recess

SUBMISSION OF SOCIAL SCIENCE RESEARCH COUNCIL OF CANADA AND HUMANITIES RESEARCH COUNCIL OF CANADA

THE CHAIRMAN: We have with us now representatives of the Social Science Research Council of Canada, Mr. Banks, is that your organization?

MR. BANKS: I am the Humanities.

THE CHAIRMAN: And the Humanities Research Council of Canada, Mr. John Banks and Mrs. Williams.

Now, you have been kind enough not to give us a brief but you have given us some material. I might just as well ask one or two questions in relation to it. I see in the folder, if I may call it that, which you have filed with us as to the Social Science Research Council of Canada, the Social Science Research Council of Canada administers a program designed to aid publication of scholarly manuscripts in the social sciences; manuscripts which are designed as textbooks are not generally considered by the committee as an aid publication.

I think very much is said in the pamphlet which relates to the Humanities Research Council of Canada and we do hear really a very great deal of both the lack of authorship in Canada in connection with the social sciences in the form of texts and things of this kind. I wondered why it is that your organizations do

not participate in the text area in any way?

MR. BANKS: I think first of all I would like to say, sir, that the two Research Councils have not given any thought to the preparation of a brief to this Commission and for that reason I do not have any particular viewpoints which represents the Councils' point of view to put forward. My comments therefore are primarily my own and those of Mrs. Williams are her own as well.

MR. CAMP: It keeps us all out of trouble.

MR. BANKS: I hope so. It seems to me that the programs which we are discussing here are programs which have developed from a very small beginning. When the Councils started their operations in 1940 and in 1942 they did have very limited funds for the support of scholarly publications and I think, in fact, we may be suffering from somewhat of a hangover at the present time because funds were extremely limited at that time. At the present time, though, although we do have much open-ended funding from Canada Council I am not sure how long we can expect this to continue.

MR. CAMP: What is open-ended funding, if I may ask?

MR. BANKS: Which is to say that Canada Council gives us as much money as we think we need.

MR. CAMP: Really? Congratulations!

DR. JEANNERET: This is the first time I knew that, Mr. Banks.

MR. BANKS: Well, that is the case.

THE CHAIRMAN: Go ahead.

MR. BANKS: The feeling has been really that textbooks should be able to carry themselves. Now this is based more on a belief, I think, than on any sound factual basis and for that reason books which look as they may well be textbooks are not generally given a supported program.

THE CHAIRMAN: But are you aware that people are saying at least -- let us not say that we have made a finding on this at this point -- but there is a great lack of texts on the social sciences in Canada for Canadians? Are you aware of this?

MR. BANKS: Yes, I am aware of that. Well, I think one might distinguish between textbooks and more scholarly materials related to the social sciences, related to Canada.

THE CHAIRMAN: But you people, with your access to money, confine yourselves to the non-texts?

MR. BANKS: We try to, yes.

THE CHAIRMAN: There is no sense going back over it but it strikes me as rather unusual that you try to confine when there is such an

obvious need in the national community and you do have access to all this kind of material.

Now, Dr. Jeanneret is going to explode here in a moment, I told him I was going to ask questions which would make him do that.

Can you tell me -- let us look at an appendix to that pamphlet which is Publications Reports Books Published in 1968 and 1969 as a result of earlier grants.

Can you turn that up for me?

MR. BANKS: For the Social Science Council?

THE CHAIRMAN: Yes, for the Social Science Council of Canada. Have you got that one?

MR. BANKS: I am not sure. What does the front page look like?

THE CHAIRMAN: Publications Report 1968 and 1969. Have you got that one?

MR. BANKS: I don't believe so.

THE CHAIRMAN: It is material which you have filed with us, it is xeroxed and called, Publications Reports Committee on Aid Publication. It looks like an extract from a Xerox of a sheet from a report.

MR. BANKS: 1968-69, yes. What would be the first manuscript listed there?

THE CHAIRMAN: Baillargeon, George E.

MR. BANKS: Oh, yes.

THE CHAIRMAN: Now, I am going to ask you a question because I ask it from the high plateau of not knowing what it is your organization is about. I hope to find out if it does relate to the name of the organization. The organization, as I understand it, is called the Social Science Research Council of Canada. You do get money and I want to ask you -- and Dr. Jeanneret is really going to explode on this one -- what in the name of social science in Canada and its betterment has a publication called Poland and the Western Powers 1938-39 got to do with Canada? The Aberdeen Coalition 1852-55 got to do with Canada, Politics in the Public Interest in the 17th Century got to do with Canada or Essays in Mediaeval History presented to Bertie Wilkinson got to do with the social sciences of Canada which is in desperate need of attention by authors and people who are interested in where this country is going?

DR. JEANNERET: Do you want me to answer it?

THE CHAIRMAN: No. I am just trying to get the direction that your organization is going in and it is rather astonishing to a layman, so I am going to get educated, that is the reason I am asking questions.

MR. BANKS: I think I would say generally in response that the Council does try to

support the publication of the works of researchers of social scientists in Canada as well as material in the social sciences related to Canada.

THE CHAIRMAN: Are you sure?

MR. BANKS: I can't say offhand about Mr. Baillargeon --

THE CHAIRMAN: Is it a test of getting grants through your agency that people are Canadian?

MR. BANKS: A Canadian or at a Canadian university.

THE CHAIRMAN: But please tell me what this has got to do with social science in Canada, these papers. Now, Dr. Jeanneret is going to give me an answer.

MR. BANKS: As I tried to suggest in my last comment, these volumes to which you refer are the results of research of Canadians working in the field of social sciences.

THE CHAIRMAN: What do you define as the field of social sciences? Perhaps that would enlighten me as well.

MR. BANKS: Well the fields very generally speaking are referred to in the little brochure, the blue brochure and history is in there, I think those were largely historical manuscripts.

THE CHAIRMAN: But what have they got to do with Canada?

MR. BANKS: They are the works of

Canadians.

THE CHAIRMAN: That is fantastic. You can see that I am having trouble with this.

Now, Dr. Jeanneret, perhaps you can convince me that this has something to do with Canada.

DR. JEANNERET: For the record I am having no trouble whatsoever, let that be emphasized and I can't really think of anything that Canada would be more proud of than that this sort of research could be done in this country and the alternative for it would be for it to be published in the United States or England or somewhere or not at all, most likely not at all, because if the facilities did not exist here to publish it there would only be half as much done and next year there would only be a third as much done. It can't be described as anything other than social sciences research and it is occurring in Canada. The other countries that I have mentioned have their research programs of tremendous skill and this does not bother me, Mr. Chairman.

THE CHAIRMAN: Well, it bothers me, so here we are.

DR. JEANNERET: Which side are you Mr. Camp?

MR. CAMP: I am on the inside. I happened to turn one of the pages in here and I

am interested in the point about the open-endedness because one is always surprised to see open-ended grants and one is pleased to see open-ended grants in this regard but on one of your submissions of your Xeroxed material you say:

" The present annual publication grant of Canada Council is $20,000."

So, there was at one time limited grants. When did it become more expansive?

MR. BANKS: Well, I might say that by my involvement with the two Research Councils since February of 1968 and as far as I am aware during this past few years it has been our custom to try and make a very rough estimate of how much we think we may be committing in the next year. This is a rather difficult thing to do because it depends on the number of manuscripts which are going to be submitted and then on how successful the manuscripts may be.

At any rate we have prepared annually a submission to Canada Council indicating that we suspect because the rate of increase of submitted manuscripts are such and such we think that very possibly so many manuscripts might be submitted next year and so many might be successful and, therefore, on the basis of that about $22,000 or $25,000 we think that so much money might be necessary.

MR. CAMP: Who is the publisher?

MR. BANKS: Of what?

MR. CAMP: Of these manuscripts which you approve and have Canadian grants for?

MR. BANKS: It could be any publisher. I don't know whether you have a document in front of you which says at the beginning,

" List of manuscripts published between April, 1968 and February 1st, 1971."

If you will turn to the second page there.

MR. CAMP: Let me put the question another way: Is there any limitation as to who the publisher might be?

MR. BANKS: No, there is not at the present time. This is because the program has been aimed at trying to support the author and we have not been concerned at all, when the manuscript is submitted we are not concerned whether the author has a publisher or not and even if the manuscript is successful and the grant is made, the grant is made to the manuscript or to the author, the grant is promised rather, to the author and should he have a publisher lined up and perhaps change the publisher, that does not in any way affect the grant. The grant is paid to the publisher when the volume has been published.

MR. CAMP: The grant goes to the publisher?

MR. BANKS: The grant goes to

the publisher but is promised to the author.

MR. CAMP: Does it go in lieu of royalties?

MR. BANKS: No, it doesn't, although it is a matter that has given the members of the Council some concern.

MR. CAMP: It is in additinn to, but whether or not the manuscript was published the author would receive the grant?

MRS. WILLIAMS: The author doesn't really receive the grant, it is promised him with his manuscript and then the publisher uses it to actually publish the manuscript.

MR. CAMP: Now I know how the University of Toronto Press breaks even.

DR. JEANNERET: No, let it be very clear for the record -- and I will give you the example from the standpoint of one scholarly publisher and this works in a parallel way for other university presses and other scholarly publishers and some commercial publishers for that matter, but not in the sense that I am going to use as an illustration.

The University of Toronto Press furnishes $200,000, a budgeted loss, after having paid all its costs of operation, including buildings, equipment, depreciation and the like. It is quite possible that within the last six months the University of Toronto Press will have to say -- I am using this as an example because I know the situation -- there will be only $100,000, which $100,000 of scholarly publishing will be terminated, cut out, discontinued. Your point about the open-endedness of your collateral grants -- they are collateral grants, and for every $2000 given by the S.S.R.C. or the H.R.C. for publication of their work on the average, I would say $5000 is given by the originating publisher. Averages are very dangerous. Sometimes it is $3000 and sometimes it is $8000. It depends.

So that there is no such thing as breaking even, except in the sense that a scholarly publisher, a bona fide scholarly publisher, expends its total net income in the subsidization of works of scholarly research using very much the same terms of reference that the learned council, such as the one represented by Mr. Banks uses. That is the way we break even. We break even by losing $200,000 a year at the moment. I am very much concerned -- I am seriously concerned about the prospects for the future because the

strains and stresses on universities at the present time tend to come out indeed to reduce this sort of support to scholarly publishing by increasing wherever possible the overhead charges to such an institution as its press. Thus the University of Toronto Press has to make on an expost facto basis, that is to say retroactively, after a decisinn to move the college bookstore into a new area had been made on a certain rental basis, it was increased $25,000 a year. This comes directly out of the debility of that price of subsidized scholarship and if anything went wrong -- a great deal is going wrong -- the total publishing market in which we are operating is a sub-marginal one and that will reduce the ability to publish scholarly material correspondingly. I am concerned as to whether or not you will be able to take up the slack, Mr. Banks.

MR. BANKS: I am not sure. I will say this, though, that both the councils, through what we term a joint publications policy committee, is looking at the size of the subsidy which, at the present time is $2000 in the one research council and $2500 in the science research council -- looking at the size of the subsidy to determine really whether it is an effective amount, does it make a material difference to the publisher or should, in fact, we be talking in figures up

to perhaps $5000 or even more for the subvention? At the same time I think the feeling is that a subvention should not be expected to cover the total deficit.

DR. JEANNERET: I would agree, if it is possible to find somebody else to share it and that has been what has been going on on the part of university presses. Your total grant -- I have trouble figuring it out -- your total grant in aid of publication for last year for H.R.C. was how much, more or less?

MR. BANKS: You are referring to the total amounts paid out in the form of subsidies last year?

DR. JEANNERET: Yes, publication grants.

MR. BANKS: In 1970-71 to the end of April, 1971 we paid out in the humanities research council $54,100.

The social science research council we paid out $35,500.

DR. JEANNERET: So it is about $85,000?

MR. BANKS: That is right.

DR. JEANNERET: When I say $200,000, I am not saying this to denigrate in any way but our press put in $200,000.

MR. BANKS: In the form of subsidies?

MRS. WILLIAMS: That is not committed. That is actually paid. Committed is much larger.

DR. JEANNERET: Committed is over a larger period.

MRS. WILLIAMS: That is commitments for the year.

MR. BANKS: In the Humanities Research Council we committed $105,900 and in the Social Science Council we committed $97,500 last year.

MR. CAMP: In any event, the grant, which is obtained from the Canada Council on the recommendation of your Committee ----

MR. BANKS: Excuse me. The grant is made by Canada Council on their own recommendation, but on our application.

MR. CAMP: Thank you. This goes to the publisher if the author can find one for his manuscript?

MR. BANKS: Yes.

MR. CAMP: His only reward, apart from the publish or perish satisfaction, is whatever he might get in royalties.

MR. BANKS: That is right. I might say there has been some discussion in Council as to whether or not public funds should be used to provide private gain in the form of royalties, if you consider royalties a private gain.

DR. JEANNERET: Not at that level.

MR. BANKS: There was some strong feeling that we should say that authors receiving subventions for their works should not agree to accept royalties from the publisher.

MR. CAMP: In what way is this a subvention? This grant that goes to the publisher, you consider that the subvention?

DR. JEANNERET: I might direct your attention to the fact that, as we all know, the royalties involved are pitifully small, but small though they are, it does permit the publisher, be he a scholarly non-profit press or a commercial press, it does permit the publisher to sit down with the author and plan the best possible distribution of that book over the first few months and without that goodwill and almost commercial interest on the part of the author, a poor job will be done.

It is obvious that the function of a non-commercial, non-profit publishing organization is to run his business in the most commercial manner he knows how and if he does less, he is not -- he is guilty of bad stewardship.

MR. CAMP: Would you clarify an area for me? You have, as part of your publishing program, political science?

MR. BANKS: Yes.

MR. CAMP: Are you limited in any way in that field -- I suppose you have to make some definition of what represents some scholarly work, is that it? Is there any -- with regard to contemporaneity for example, any judgment?

MR. BANKS: I think this is going to become a problem for us. We did support recently a volume by James Lorimer called "Working People".

THE CHAIRMAN: I am sorry, I tuned out for a second. My antenna wags as soon as you start. What did you say?

MR. BANKS: I said we did support this volume.

THE CHAIRMAN: Fantastic! Tremendous!

MR. BANKS: Which might well be considered something moderately contemporary and of contemporary interest. There were a number of other works, I think perhaps a little rather more limited in interest but equally contemporary, which we supported, but I do have a feeling we may be getting a little more involved in this field and we may have to try and be fairly careful that we don't get involved in supporting polemical works, for instance, taking ---

THE CHAIRMAN: Which would be a work with a bias.

MR. BANKS: Yes, this is a difficult point and I think we can try and clarify some of these thoughts over the summer with our publications policy committee.

MR. CAMP: I don't dare ask any more questions, Mr. Chairman.

THE CHAIRMAN: Feel free.

DR. JEANNERET: I think I have said all I have to say on behalf of scholarly publishing, but if you would like to add to it, do, Mr. Banks. I think this publicly is the duty of the councils in relation to this Commission. I feel very strongly about that for obvious reasons, that scholarly publishing as a process of producing seminal works from which the other books stem, including textbooks, and without textbooks it can't be written and without it novels won't be written and so on, is one that should be put in the right context of book publishing in this country so that we are under no illusions. I speak from a certain bias of a good part of my lifetime, but if you have anything to say on that, we would welcome it.

MR. BANKS: I cannot say very much but I will ask Mrs. Williams, who I think has a bit more knowledge and perhaps competence to say something, but I would like to make 2 or 3 points nevertheless. When you look at the amounts of money which we are granted,

I mentioned the figures just recently for this past year, I really wonder how significant this program is in the overall publication business in Canada. I would raise that question with you. My feeling would be that $100,000 a year is not really going to make or break the publishing industry in Canada. I may be too naive and uninformed about this, but that is my personal feeling.

DR. JEANNERET: I would like to find out in response to this question that it is not the matter of $100,000 making possible $100,000 worth of book publishing. It is a matter of subsidizing the sub-marginal element in $100,000 to the extent of $100,000 which should release several hundred thousand dollars worth of book publishing, and it lowers the threshhold of publishability. It makes possible the publication of a great many books that otherwise would go unpublished and the best thing to look at is Canadian Books in Print and one sees that probably one-quarter of the books published in a given year are scholarly publications.

MR. BANKS: I think that points up and leads into very happily my second point, and that is that until Mrs. Williams took the Council about a year and a half ago to administer this program, it was a very small activity, I think, of the Council. It was one, I think, which

was carried out with a pretty narrow perspective. I think with her assets and her arrival, rather, on the scene, I think it has been particularly illuminating for members of the Council. I would like to draw to your attention a work, a book, in fact, I suppose, which Mrs. Williams has prepared and which I gather will be available very shortly. We had some troubles with publication of it, but it may be of interest to you.

I would like to mention two further points which will be looked at by the joint committee for publications policy. One is that there is a certain feeling, I gather that there are some kinds of research results which are not being adequately designed for publication. They are perhaps too much for a journal article, or too small for a book or too specialized for a book, and it has been suggested the research councils might take some initiative in providing some sort of outlet, perhaps through funding or some other means, to ensure that the preliminary results of research can be more widely made available.

DR. JEANNERET: That is a new initiative of the Councils?

MR. BANKS: Yes. Whether, in fact, it will materialize or not, I cannot say at the present time. The committee has not given too much thought to the matter. I might say,

at recent learned society meetings I talked to one or two publishers about this and their feeling was that this kind of publication, if it got an adequate distribution, might be quite economically viable without any subvention or financial support. However, I think that depends very much on the kind of volume we are talking about.

The other point which I just wanted to mention is -- and it was also suggested that we should try -- in making these subventions to the authors or to publishers really, that where an author has got a non-Canadian publisher we should ensure that he has approached Canadian publishers and, in fact, has been turned down by Canadian publishers. If that is the case, one can perhaps wonder whether the manuscript is any good at all.

DR. JEANNERET: Otherwise, Hong Kong, or some place, and I don't mean that specifically, could get them all.

MR. BANKS: Yes, but there is a feeling we should try to be able to build Canadian publishers first. There are certain difficulties here with, for instance, distribution in Europe, which is perhaps rather better by the European houses, than by Canadian publishers.

DR. JEANNERET: Could you lay by the heels any fact that scholarly publishing has anything to do with, at least in a priority way, with publishing theses -- the thesis and the book?

MR. BANKS: No, as far as I can gather -- well, I should say this, the Councils' programs have not been used for the publication of theses with the exception of two series which we did support and, indeed, are still supporting, related to economics on the one

hand, and history and government on the other. However, they were initiated at the time when the distribution of theses was not terribly efficient and these series of publications were considered to be very useful.

DR. JEANNERET: They were highly selective, those two series and they were chosen for the totalitarian value of scholars, rather than publication for its own sake in any sense. I remember Neufeldts Bank of Canada was one of them.

MR. BANKS: Yes, I think there have been about 14 in history and government and I think about 22 in economics. I think I might also mention, for the sake of the Chairman, that we did support a series on Social Credit in Alberta, a ten-volume series. There were some earlier volumes related to Canadian natural resources, if I am not mistaken. These were, unfortunately, somewhat before my time.

THE CHAIRMAN: Well, for my sake, and perhaps for yours, I am delighted to have the information. I would like to ask now, one or two questions which may again help me. I take it that in terms of the areas which are defined -- anthropology, economics, political science, geography, history, law, psychology and sociology, that there can be research -- and this is what your organization calls itself, a research organization, there can be research in

two areas, really. One is research into contemporary concerns, and the other is reaearch into matters which are historic by and large. Is that a fair approach to the timing of the research?

MR. BANKS: You mean as a basis of breakdown?

THE CHAIRMAN: On the basis of a breakdown, yes.

MR. BANKS: Yes. I feel you are leading me into a gap here, frankly.

THE CHAIRMAN: I am drawing up to the thing that is, not troubling me, but it is obviously the focus of some of my attention at this point. If there is this kind of division, categorically, in terms of research -- and I subscribe to the proposition of my learned colleague, Dr. Jeanneret, who is most learned in this area -- that the whole question of scholarly publication of this nature is to be, I would say, not only applauded but encouraged. On the other hand, I am concerned about what is contemporary, bearing in mind the massive needs of this country which, speaking personally, are becoming more apparent in regard to the social sciences. Is your organization in any way contemplating contemporary research into contemporary problems as well as the kind that I referred to earlier on? This is the question that I am interested in.

MR. BANKS: Well, let me just confuse the issue by saying that, although it is a research council and it is called a research council, rather, and at one time played the role that Canada Council now plays at the present time, we do not sponsor any research. This program of publication subsidy is the only program of financial support which the Councils have, so that, while we are concerned with the kind of research that is being done in Canada, and trying to make our views known to Canada Council on these matters, we are not directly involved in funding research ourselves.

THE CHAIRMAN: Who is?

MR. BANKS: Canada Council.

THE CHAIRMAN: Just Canada Council alone?

MR. BANKS: This is the primary organ.

THE CHAIRMAN: So we would look to them to provide financing and direction along this line as you are doing here?

MR. BANKS: In fact, it could be termed direction, yes.

THE CHAIRMAN: Well, you certainly have the approval or disapproval of whether or not an amount is granted to someone to undertake a particular project?

MR. BANKS: That is right, but it does depend on the project being submitted in

the first place?

THE CHAIRMAN: Of course, but there is a selective process which was thereupon embarked upon, but then we would have to look in the contemporary field in terms of research, to the Canada Council and what it is doing to support people who do the kind of research on a contemporary basis that is comparable to this which is being done on an historical past basis.

MR. BANKS: Yes, I don,t think that Canada Council would say that they have a program, let us say, for contemporary research but they do support people like John Reisel, I suppose, in his electrical studies.

DR. JEANNERET: John Porter's Vertical Mosaic and that is as contemporary as you can get.

THE CHAIRMAN: You are dealing really, as a subsidiary to the Canada Council. That helps me a great deal.

Do you act as a subsidiary or as a selective branch of the Canada Council?

MR. BANKS: No, I don't think so.

THE CHAIRMAN: We thank you very much. Is there anything else you wish to add?

MR. BANKS: No, I don't think so, thank you very much, sir, but I must say, during the balance of your hearings or during your considerations, if there is any information or further details which I can try and supply you

with, I would be pleased to try and do so.

THE CHAIRMAN: That is much appreciated. Thank you.

SUBMISSION OF MR. JACK O. GIBBONS

THE CHAIRMAN: We have Mr. Jack O. Gibbons with us.

Mr. Gibbons, where are you from?

MR. GIBBONS: Ottawa.

THE CHAIRMAN: What do you do here?

MR. GIBBONS: I am a student.

THE CHAIRMAN: Where?

MR. GIBBONS: Lisgar Collegiate.

THE CHAIRMAN: We are glad to have you here and that you have an interest in what we are doing. We have read your material and I think we understand the point you are making. Do you consider that this kind of difficulty with regard to certain texts exists in a general way or is it a specific instance, or how do you view this?

MR. GIBBONS: All I know is a specific instance.

THE CHAIRMAN: What is it that you think we should do in relation to matters of this kind?

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Toronto, Ontario

MR. GIBBONS: I just think that you should point out to the Ontario Government that the Ontario Department of Education is not making sure that the texts they authorize are granted and they will not step in to grant them. They leave it totally up to the book publishers who, again, leave it solely up to the author, and they refuse to step in and correct a book which is obviously false.

DR. JEANNERET: I think your position, your view is taken for granted that there is no selection process involving academic appraisal of the books and I don't mean by that for a moment that your criticisms are not well taken. I think that they are very interesting. I won't voice a judgment on it at this point, but I think it is very proper for you to do what you have done, that you should submit this to the Department -- perhaps you have, but the procedure for selecting books for inclusion in Circular 14 at the present time is, if anything, almost cumbersome, we are told, and we happen to know and it does involve academic appraisal and clearance. This is one of the big problems to the publishers and to the authors that they spend sometimes a very vast amount of money, $50,000, $75,000 and they must actually publish before they know whether or not they can get the approval. If they could be vetoed, turned down earlier, it would help them a great deal.

I know something of the history of this particular book, it goes back to about 1946, as I recall, or 1947, when it was prepared. I think I am correct, and there were two volumes in the series and it had a great deal of wordage in it and it was writtten pretty much from secondary sources, non-historians. It may well be that your points are well taken but I don't think that you can usefully use this Commission just to tick off one book, so to speak. You will have to find another mechanism, but I think it is very commendable, what you are doing here, writing this article, and you should probably publish it.

MR. GIBBONS: Who would publish it?

DR. JEANNERET: It is not hard to get that published. I can suggest a number of newspapers.

THE CHAIRMAN: In any event, you say the Department of Education has refused to force the American publisher to correct these errors. How do you know that they have refused?

MR. GIBBONS: I have written many, many letters, I started writing in January, 1969 about this and now I find more errors as I go along but as in September, 1969, all the errors I have mentioned here, the major ones I had all September, 1969, and they have just refused to do anything. I sent them to Mr. Davis, he passed

them on to a person in the Department of Education and then, from there, they said "Give them to the publisher" and then the publisher had written back and said "We are going to change a few things, not all these things" but the problem is, they are going to change them when the book is revised, but they are not going to tell me when the book is going to be revised. They may make reprints and not revise it, so it is just as good as not being done, because, here is the Department of Education still authorizing the book which will be resubmitted and sold and the Department of Education, if they do authorize the book, if they do realize there is an error in it, they should see that it is corrected right away.

THE CHAIRMAN: Well, we thank you very much for bringing this to our attention. We will pass this brief on with your permission, to the Department of Education and ask for their comment with relation to it.

MR. GIBBONS: Thank you.

DR. JEANNERET: I do think you are to be commended for speaking up.

---Adjournment

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